

## PROPRIETARY AND COMPANY CONFIDENTIAL INFORMATION

The following document is submitted to the EPA subject to the "CONFIDENTIAL" designation authorized in 40 CFR Part 2. The disclosure of the information contained in these financial statements could place General's parent corporation, Kiewit Pacific Co., at a competitive disadvantage relative to other contracting companies. Kiewit Pacific Co. is not regulated by the FCC and as such, it is not required by state or local law to file this financial statement. Kiewit Pacific Co. keeps its financial information confidential, and does not submit that information to third parties without an agreement to preserve that confidentiality. Kiewit Pacific Co. intends to continue to preserve the confidentiality of this information.

The following Financial Statements are included only with the hard copy submitted to the EPA, and not with the simultaneously-produced electronic copy.

## PROPRIETARY AND COMPANY CONFIDENTIAL INFORMATION



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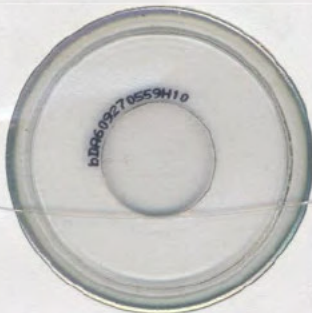
Region 10  
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**Environmental**  
Cleanup Office

General Construction  
Company's Response to EPA's  
104(e) Request for Information  
**6/16/2008**



Rec'd  
6/16/08

895907

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## PROPRIETARY AND COMPANY CONFIDENTIAL INFORMATION

**KIEWIT PACIFIC CO. AND SUBSIDIARIES**

—

**CONSOLIDATED FINANCIAL STATEMENTS  
for the fiscal year ended December 29, 2007**

Confidential

(b)(4)



(b)(4)



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Confidential

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(b)(4)



GROFF MURPHY  
LAWYERS

Daniel C. Carmalt

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June 13, 2008

Kristine Koch  
Remedial Project Manager  
United States Environmental Protection Agency, Region 10  
Office of Environmental Cleanup, Mail Code ECL-115  
1200 Sixth Avenue, Suite 900  
Seattle, Washington 98101-3140

Dear Ms. Koch:

Your January 18, 2008 Request for Information directed to Peter Kiewit Sons', Inc. ("Kiewit") assumed that Kiewit is the successor to General Construction Company. It is not. However, in the spirit of cooperation, attached, please find General Construction Company's response to your January 18, 2008 request. Please consider this letter a supplement to the Response.

At the outset, General would like to correct a number of misunderstandings that are apparent from a review of documents in the EPA's possession. First, the EPA is under the mistaken belief that Kiewit is a successor to General Construction Company ("General"); however, this is not the case. General remains a separate and fully functioning corporation, as a third-tier subsidiary of Kiewit.

Second, on February 12, 1999, and again on September 28, 1999, the Oregon Department of Environmental Quality sent a letter to "(b) (6)" General Construction, 8444 N.W. St. Helens Road, Portland, Oregon 97210," advising him of the need for a preliminary assessment of the site located at that address. (b) (6) responded, on December 1, 1999, that he was not affiliated with General Construction Company. General concurs with this statement: it has never had any association with (b) (6), and does not know who this individual is.

Third, several other documents provided by the EPA refer to "Transloader International, also known as General Construction Co." General would like to clarify that it has never been associated or affiliated with Transloader International, and has no knowledge of that company.

Finally, and most importantly, General has never owned, leased, or operated on any of the properties within the Investigation Area, nor is it a successor of any entity that has. Documents provided by the EPA indicate that some of the properties were owned and operated by a "General Construction Company" from the 1950's into the 1980's. However, General was formed in 1996, long after these events occurred.

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The history of the entities known as “General Construction Company” is complicated. If the EPA seeks the party that operated and/or owned property within the Investigation Area under the name “General Construction Company”, General believes there are two: Fletcher Construction Company North America, and McEachern Corporation.

The original “General Construction Company” was formed in 1910, and in 1932 merged with the McEachern Company. The McEachern family controlled this General Construction Company for many decades. During this time, General Construction Company maintained construction yards and staging areas at two locations: 4850 Front Avenue, and 8444 St. Helens Road.

In 1973, General Construction Company sold the land at 4850 Front Avenue, and continued to use the 8444 St. Helens Road site for its construction activities. In 1981, General Construction Company changed its name to McEachern Corporation, and sold its marine construction assets to Wright Schuchart Inc. However, the McEachern Corporation retained ownership of its land in Washington and Oregon – including the 8444 St. Helens Road site. The McEachern Corporation leased this land to Wright Schuchart.

Wright Schuchart incorporated a new company called General Construction, and continued doing business along the Willamette River. In 1987, Fletcher Challenge Inc. purchased Wright Schuchart and its subsidiaries. Fletcher Challenge changed the name of General Construction Company to Fletcher General.

In 1996, Fletcher Challenge sought to divest itself of its North American businesses. The management of Fletcher General formed a new corporation known as General Construction Company, and purchased the assets of Fletcher General Construction. This General Construction Company continues to exist today as a subsidiary of Kiewit. However, Fletcher General retained the majority of its liabilities, along with assets sufficient to satisfy them. In 2001, Fletcher General merged with its parent company, Fletcher Construction Company North America, and continued to honor its liabilities.

Thus, under the doctrine of successor liability, General is not a successor to Fletcher General. General believes that the McEachern Corporation is a successor to the General Construction Company that operated from 1932 through 1981, and continued to own the 8444 St. Helens Road property at least until 1985. Moreover, General believes that Fletcher Construction Company North America is successor to the General Construction Company that operated on the 8444 St. Helens Road site from 1981 through 1985, at which time General Construction ceased to operate along the Willamette River.

In spite of the fact that General neither owned nor operated on any of the properties in the Investigation Area, General takes the EPA’s Request for Information seriously. The EPA has broadly defined the term “Respondent” to include General’s employees. General has two employees who worked for McEachern’s General Construction, and Wright Schuchart’s General Construction, at sites in the Investigation Area; as such, they may be considered to fall under the

June 13, 2008

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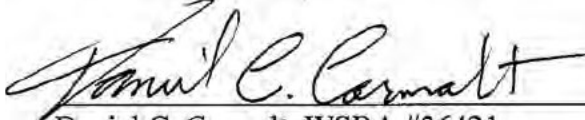
EPA's definition of "Respondent." In light of this fact, General has attempted to answer this Request for Information as thoroughly as possible.

Of course, the vast majority of documents for those years were retained by Fletcher Construction Company North America after the asset transfer, and are not available to General. However, General has reviewed the few relevant documents inadvertently placed in its possession.

If you require additional information, please contact me at the above address.

Sincerely,

GROFF MURPHY, PLLC

A handwritten signature in black ink, reading "Daniel C. Carmalt". The signature is written in a cursive style with a horizontal line underneath the name.

Daniel C. Carmalt, WSBA #36421

Attorney for General Construction Co.

U.S. EPA

CERCLA SECTION 104(e)

INFORMATION REQUEST

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**Please note:** This Information Request includes instructions for responding to this request and definitions of words such as "Respondent," "Property," "Material," "Identify," and "Investigation Area" used in the questions. Please provide responses to all the questions in this Information Request for each Property identified in response to Question 4 of Section 2.0, when appropriate. You must answer the Questions in this Information Request related to properties or facilities outside the Investigation Area if Question 4, Section 2.0 specifically instructs you to do so. For each response clearly identify the Property or Properties to which the response applies.

**Response:** General Construction Company ("General") reiterates that it has never owned, operated, or otherwise been affiliated with any property in the Investigation Area. As explained more fully in the accompanying cover letter, as well as in response to Questions 74 and 75 herein, General was originally incorporated in 1996, and is not a successor to any corporation or business. General reserves this objection with respect to all the questions detailed below. Notwithstanding, General interprets the EPA's extremely broad definition of "Respondent" to encompass all of General's employees. Because two of General's employees previously operated within the Investigation Area when they were employed by McEachern Corporation (formerly General Construction Company), and subsequently with Fletcher Construction North America (formerly Fletcher General, formerly General Construction Company), General offers the following Response.

INFORMATION REQUEST QUESTIONS

**Section 1.0 Respondent Information**

1. Provide the full legal, registered name and mailing address of Respondent.

General Construction Company, 19472 Powder Hill Place, Poulsbo, Washington, 98370

2. For each person answering these questions on behalf of Respondent, provide:
- full name;
  - title;
  - business address; and
  - business telephone number, electronic mail address, and FAX machine number.

Robert L. Rau, Jr.,  
Senior Estimator  
General Construction Company,  
19472 Powder Hill Place,  
Poulsbo, Washington, 98370  
(360) 779-3200  
Fax: (360) 394-1444  
BOB.RAU@KIEWIT.COM

Dennis Ahl,  
Contract Administrator  
General Construction Company,  
19472 Powder Hill Place,  
Poulsbo, Washington, 98370  
(360) 779-3200  
Fax: (360) 779-3132  
DENNIS.AHL@KIEWIT.COM

3. If Respondent wishes to designate an individual for all future correspondence concerning this Site, please indicate here by providing that individual's name, address, telephone number, fax number, and, if available, electronic mail address.

Daniel C. Carmalt  
Attorney  
Groff Murphy PLLC  
300 E. Pine Street  
Seattle, Washington, 98122  
(206) 628-9500  
Fax: (206) 628-9506  
DCARMALT@GROFFMURPHY.COM

## Section 2.0 Owner/Operator Information

4. Identify each and every Property that Respondent currently owns, leases, operates on, or otherwise is affiliated or historically has owned, leased, operated on, or otherwise been affiliated with within the Investigation Area during the period of investigation (1937 – Present). Please note that this question includes any aquatic lands owned or leased by Respondent.

General has no relationship to any of these properties, either currently or historically. See response to questions 74 and 75. It is believed that McEachern Corporation (formally known as General Construction Company) owned and operated the property at 4850 Front Avenue (also known as Parcel 1380) until approximately 1973. McEachern Corporation is also believed to have owned the property located at 8444 St. Helens Road (also



known as Parcels 1303, 1304, 1305, 1311, and 1315) until at least 1985. McEachern operated on these parcels until 1981; thereafter, it leased the property to Fletcher Construction Company North America (formerly Fletcher General, formerly General Construction Company). Fletcher vacated the property in 1985. General has no knowledge regarding Parcels 100 and 1310.

5. Provide a brief summary of Respondent's relationship to each Property listed in response to Question 4 above, including the address, Multnomah County Alternative Tax lot Identification number(s), dates of acquisition, period of ownership, lease, operation, or affiliation, and a brief overview of Respondent's activities at the Properties identified.

See Response to Question 4 above; General never performed any activities at the properties identified above. McEachern used both properties as a staging area for marine construction projects; barges were employed to receive and ship long foundational piling (made of wood, concrete or steel). The yards were used to store this piling for construction projects. Some occasional pre-fabrication of formwork occurred at both sites. In addition, McEachern used the 4850 facility for office activities; after that property was sold in 1973, McEachern had office facilities in portable buildings at the 8444 site.

When Fletcher operated on the 8444 site pursuant to its lease with McEachern, it performed substantially the same activities.

6. Identify any persons who concurrently with you exercises or exercised actual control or who held significant authority to control activities at each Property, including:

- a. partners or joint venturers;

General has no knowledge responsive to this question.

- b. any contractor, subcontractor, or licensor that exercised control over any materials handling, storage, or disposal activity on the Property; (service contractors, remediation contractors, management and operator contractors, licensor providing technical support to licensed activities);

General has no knowledge responsive to this question.

- c. any person subleasing land, equipment or space on the Property;

Other than McEachern's sublease to Fletcher, none known.

- d. utilities, pipelines, railroads and any other person with activities and/or easements regarding the Property;

B&N Railroad bisected the 8444 property, as did an underwater pipe easement.

- e. major financiers and lenders;

General has no knowledge responsive to this question.

- f. any person who exercised actual control over any activities or operations on the Property;

It is believed that, from 1981 until 1985, Fletcher (then known as General Construction Company) was owned by Wright Schuchart Inc. General has no knowledge as to whether Wright Schuchart exercised control over operations on the property during that time.

- g. any person who held significant authority to control any activities or operations on the Property;

See answer to f. above; General has no knowledge as to whether Wright Schuchart held significant authority to control operations on the property during that time.

- h. any person who had a significant presence or who conducted significant activities at the Property; and

See answer to f. above; General has no knowledge as to whether Wright Schuchart had a significant presence, or performed significant activities on the property during that time.

- i. any government entities that had proprietary (as opposed to regulatory) interest or involvement with regard to the activity on the Property.

Prior to McEachern's ownership of the 8444 property, it is believed that the property was used as a ferry landing.

- 7. Identify and describe any legal or equitable interest that you now have, or previously had in each Property. Include information regarding the nature of such interest; when, how, and from whom such interest was obtained; and when, how, and to whom such interest was conveyed, if applicable. In addition, submit copies of all instruments evidencing the acquisition or conveyance of such interest (e.g., deeds, leases, purchase and sale agreements, partnership agreements, etc.).

General does not have, and has never had, any legal or equitable interest in the property. General submits a copy of the lease between McEachern and Fletcher (formerly General Construction). See Exh. 6.

- 8. If you are the current owner and/or current operator, did you acquire or operate the Property or any portion of the Property after the disposal or placement of hazardous substances, waste, or materials on, or at the Property? Describe all of the facts on which you base the answer to this question.

Not Applicable.



9. At the time you acquired or operated the Property, did you know or have reason to know that any hazardous substance, waste, or material was disposed of on, or at the Property? Describe all investigations of the Property you undertook prior to acquiring the Property and all of the facts on which you base the answer to this question.

Not Applicable; General has no knowledge of investigations that may have been performed by McEachern or Fletcher.

10. Identify all prior owners that you are aware of for each Property identified in Response to Question 4 above. For each prior owner, further identify if known, and provide copies of any documents you may have regarding:
- the dates of ownership;
  - all evidence showing that they controlled access to the Property; and
  - all evidence that a hazardous substance, pollutant, or contaminant, was released or threatened to be released at the Property during the period that they owned the Property.

General believes that, prior to McEachern, the 8444 site was owned by Portland Tug and Barge; though the dates are unknown.

11. Identify all prior operators of the Property, including lessors, you are aware of for each Property identified in response to Question 4 above. For each such operator, further identify if known, and provide copies of any documents you may have regarding:
- the dates of operation;
  - the nature of prior operations at the Property;
  - all evidence that they controlled access to the Property; and
  - all evidence that a hazardous substance, pollutant, or contaminant was released or threatened to be released at or from the Property during the period that they were operating the Property.

See answer to Question 10 above; General has no knowledge of additional operators prior to McEachern and Fletcher.

12. If not included in response to any of the previous questions, please describe the purpose and duration of each aquatic lands lease Respondent or the operator of Respondent's Property(ies) ever obtained from the State of Oregon and provide a copy of each application for and aquatic lands lease obtained.

General believes that McEachern and/or Fletcher (doing business as General Construction Company) had a lease with the State for moorage of equipment and barges. General has no additional information or documents responsive to this question.

### **Section 3.0 Description of Each Property**

13. Provide the following information about each Property identified in response to Question 4:

- a. property boundaries, including a written legal description;

General has no knowledge responsive to this question.

- b. location of underground utilities (telephone, electrical, sewer, water main, etc.);

General has no knowledge responsive to this question.

- c. location of all underground pipelines whether or not owned, controlled or operated by you;

General has no knowledge responsive to this question.

- d. surface structures (e.g., buildings, tanks, pipelines, etc.);

General believes that 4850 Front Avenue had three buildings: an office, a shop, and a warehouse. General believes that 8444 St. Helens Road had two permanent buildings: a shop and a warehouse. In addition, 8444 occasionally had portable office trailers, and for a time in the 1980's, had a pre-constructed modular building.

- e. over-water structures (e.g., piers, docks, cranes, etc.);

General believes that 4850 Front Avenue included one dock.  
General believes that 8444 St. Helens Road also had one dock.

- f. dry wells;

General has no knowledge responsive to this question.

- g. treatment or control devices (e.g., surface water, air, groundwater, Resource Conservation and Recovery Act (RCRA), Transfer, Storage, or Disposal (TSD), etc.);

General has no knowledge responsive to this question.

- h. groundwater wells, including drilling logs;

General has no knowledge responsive to this question.

- i. storm water drainage system, and sanitary sewer system, past and present, including septic tank(s) and where, when and how such systems are emptied and maintained;

General has no knowledge responsive to this question.

- j. subsurface disposal field(s), Underground Injection Control (UIC) wells, and other underground structures (e.g., underground storage tanks (USTs); and where they are located, if they are still used, and how they were closed;

General has no knowledge responsive to this question.

- k. any and all major additions, demolitions or changes on, under or about the Property, its physical structures or to the property itself (e.g., stormwater drainage, excavation work); and any planned additions, demolitions or other changes to the Property;

During the early 1980's, Fletcher (then General Construction Company) erected and later dismantled a modular structure for temporary use as office space.

- l. all maps and drawings of the Property in your possession; and

General attaches all maps and drawings in its possession as Exhibits 3 and 5.

- m. all aerial photographs of the Property in your possession.

General attaches all aerial photographs in its possession as Exhibits 1, 2 and 4.

- 14. For Properties adjacent to the Willamette River, provide specific information describing the river-ward boundary of private ownership and where state aquatic lands and/or state-management jurisdiction begins. Provide a map that delineates the river-ward boundary of each Property.

General has no information or documents responsive to this question.

- 15. For each Property, provide all reports, information or data you have related to soil, water (ground and surface), or air quality and geology/hydrogeology at and about each Property. Provide copies of all documents containing such data and information, including both past and current aerial photographs as well as documents containing analysis or interpretation of such data.

General has no information or documents responsive to this question.

- 16. Identify all past and present solid waste management units or areas where materials are or were in the past managed, treated, or disposed (e.g., waste piles, landfills, surface impoundments, waste lagoons, waste ponds or pits, tanks, container storage areas, etc.) on each Property. For each such unit or area, provide the following information:

Former McEachern and Fletcher employee Dennis Ahl recalls that a third party waste management service was occasionally hired to haul away construction debris in large dumpsters; he believes that the name of the service was Campagni and Zanni, but he lacks additional information.

- a. a map showing the unit/area's boundaries and the location of all known units/areas whether currently in operation or not. This map should be drawn to scale, if possible, and clearly indicate the location and size of all past and present units/areas;

General has no knowledge or documents responsive to this question.

- b. dated aerial photograph of the site showing each unit/area;

General has no knowledge or documents responsive to this question.

- c. the type of unit/area (e.g., storage area, landfill, waste pile, etc.), and the dimensions of the unit/area;

General has no knowledge or documents responsive to this question.

- d. the dates that the unit/area was in use;

General believes that McEachern and Fletcher utilized dumpsters on an as-needed basis from the 1970s through 1985.

- e. the purpose and past usage (e.g., storage, spill containment, etc.);

The dumpsters were used to haul away construction debris and excess construction material.

- f. the quantity and types of materials (hazardous substances and any other chemicals) located in each unit/area; and

General believes that the composition of the debris consisted primarily of wood, concrete, and/or steel.

- g. the construction (materials, composition), volume, size, dates of cleaning, and condition of each unit/area.

General believes that the composition of the debris consisted primarily of wood, concrete, and/or steel.

17. If the unit/area described above is no longer in use, how was such unit/area closed and what actions were taken to prevent or address potential or actual releases of waste constituents from the unit/area.

General has no knowledge or documents responsive to this question.

18. For each Property, provide the following information regarding any current or former sewer or storm sewer lines or combined sanitary/storm sewer lines, drains, ditches, or tributaries discharging into the Willamette River:



- a. the location and nature of each sewer line, drain, ditch, or tributary;

General has no knowledge or documents responsive to this question.

- b. the date of construction of each sewer line, drain, ditch, or tributary;

General has no knowledge or documents responsive to this question.

- c. whether each sewer line, or drain was ever connected to a main trunk line;

General has no knowledge or documents responsive to this question.

- d. whether each sewer line, drain, ditch, or tributary drained any hazardous substance, waste, material or other process residue to the Willamette River; and

General has no knowledge or documents responsive to this question.

- e. provide any documentation regarding but not limited to the following on any and all outfalls to the Willamette River which are located within the boundaries of the Property(ies). Your response should include, but not be limited to:

- i. the areas serviced by the outfalls; and

General has no knowledge or documents responsive to this question.

- ii. the type of outfall (i.e., storm water or single facility operational).

General has no knowledge or documents responsive to this question.

19. Provide copies of any stormwater or property drainage studies, including data from sampling, conducted at these Properties on stormwater, sheet flow, or surface water runoff. Also provide copies of any Stormwater Pollution Prevention, Maintenance Plans, or Spill Plans developed for different operations during the Respondent's operation of each Property.

General has no knowledge or documents responsive to this question.

#### **Section 4.0 Respondent's Operational Activities**

20. Describe the nature of your operations or business activities at each Property. If the operation or business activity changed over time, please identify each separate operation or activity, the dates when each operation or activity was started and, if applicable, ceased.

General performed no operations at any of the sites. McEachern used both properties as a staging area for marine construction projects; barges were employed to receive and ship long foundational piling (made of wood, concrete or steel). The yards were used to store this piling for construction projects. Some occasional pre-fabrication of formwork occurred at both sites. In addition, McEachern used the 4850 facility for office activities; after that property was sold in 1973, McEachern had office facilities in portable buildings at the 8444 site.

When Fletcher operated on the 8444 site pursuant to its lease with McEachern, it performed substantially the same activities, from the start of the lease in 1981, until the closure of the Portland yard in 1985.

21. At each Property, did you ever use, purchase, generate, store, treat, dispose, or otherwise handle any waste, or material? If the answer to the preceding question is anything but an unqualified "no," identify:
- in general terms, the nature and quantity of the waste or material so transported, used, purchased, generated, stored, treated, disposed, or otherwise handled;
  - the chemical composition, characteristics, physical state (e.g., solid, liquid) of each waste or material so transported, used, purchased, generated, stored, treated, disposed, or otherwise handled;
  - how each such waste or material was used, purchased, generated, stored, treated, transported, disposed or otherwise handled by you; and
  - the quantity of each such waste or material used, purchased, generated, stored, treated, transported, disposed or otherwise handled by you.

The use of the terms "waste" and "materials" is vague, but we believe that McEachern and Fletcher dealt primarily with construction materials made of wood, concrete, or steel. Excess construction materials were periodically stored on the premises, or disposed of as discussed above. The marine construction work performed by McEachern and Fletcher occasionally required the dismantling of docks along the river; this debris would be transported to one of the two yards, and disassembled. The debris was then hauled away by third-party disposal companies, as needed. The wood piles were primarily untreated wood, which was commonly used along the Willamette. However, McEachern and Fletcher occasionally used wood piles pre-treated with creosote or Chemonite.

In addition, McEachern and Fletcher are believed to have stored gasoline in tanks on the property; it is unknown whether these

tanks were above or below ground. McEachern and Fletcher serviced construction equipment on the properties, and in the 1980s, the waste oil was disposed of through a waste oil recycler; General lacks additional information.

22. Describe all activities at each Property that was conducted over, on, or adjacent to, the Willamette River. Include in your description whether the activity involved hazardous substances, waste(s), or materials and whether any such hazardous substances, waste(s), or materials were discharged, spilled, disposed of, dropped, or otherwise came to be located in the Willamette River.

At both properties, McEachern and Fletcher used the Willamette River to transport piling (steel, concrete and timber), to transport marine construction equipment, and to perform dredging. As part of McEachern's and Fletcher's businesses, the companies performed construction services on and over the River.

23. For each Property at which there was or is a mooring facility, dock, wharf or any over-water structure, provide a summary of over-water activities conducted at the structure, including but not limited to, any material loading and unloading operations associated with vessels, materials handling and storage practices, ship berthing and anchoring, ship fueling, and ship building, retrofitting, maintenance, and repair.

See response to Questions 21-23 above; no additional information is known.

24. Describe all activities conducted on leased aquatic lands at each Property. Include in your description whether the activity involved hazardous substances, waste(s), or materials and whether any such hazardous substances, waste(s), or materials were discharged, spilled, disposed of, dropped, or otherwise came to be located on such leased aquatic lands.

See response to Questions 21-23 above; leased aquatic lands were used for moorage only; no additional information is known.

25. Please describe the years of use, purpose, quantity, and duration of any application of pesticides or herbicides on each Property during the period of investigation (1937 – present). Provide the brand name of all pesticides or herbicides used.

General has no knowledge that any pesticides were used on the properties.

26. Describe how wastes transported off the Property for disposal are and ever were handled, stored, and/or treated prior to transport to the disposal facility.

See response to Question 21; General has no additional knowledge or documents responsive to this question.

27. Has Respondent ever arranged for disposal or treatment or arranged for transportation for disposal or treatment of materials to any Property (including the Willamette River) within the Investigation Area? If so, please identify every Property that Respondent's materials were disposed or treated at in the Investigation Area. In addition, identify:
- the persons with whom the Respondent made such arrangements;
  - every date on which Respondent made such arrangements;
  - the nature, including the chemical content, characteristics, physical state (e.g., solid, liquid), and quantity (volume and weight) of all materials involved in each such arrangement;
  - in general terms, the nature and quantity of the non- hazardous materials involved in each such arrangement;
  - in general terms, the nature and quantity of any hazardous materials involved in each such arrangement;
  - the owner of the materials involved in each such arrangement, if not Respondent;
  - all tests, analyses, analytical results or manifests concerning each hazardous material involved in such transactions;
  - the address(es) for each Property, precise locations at which each material involved in such transactions actually was disposed or treated;
  - the owner or operator of each facility at which hazardous or non-hazardous materials were arranged to be disposed at within the Investigation Area;
  - who selected the location to which the materials were to be disposed or treated;
  - who selected the Property as the location at which hazardous materials were to be disposed or treated; and
  - any records of such arrangement(s) and each shipment.

General has no knowledge or documents responsive to this question.

28. Describe the plants and other buildings or structures where Respondent carried out its operations at each Property within the Investigation Area (excluding locations where ONLY clerical/office work was performed).

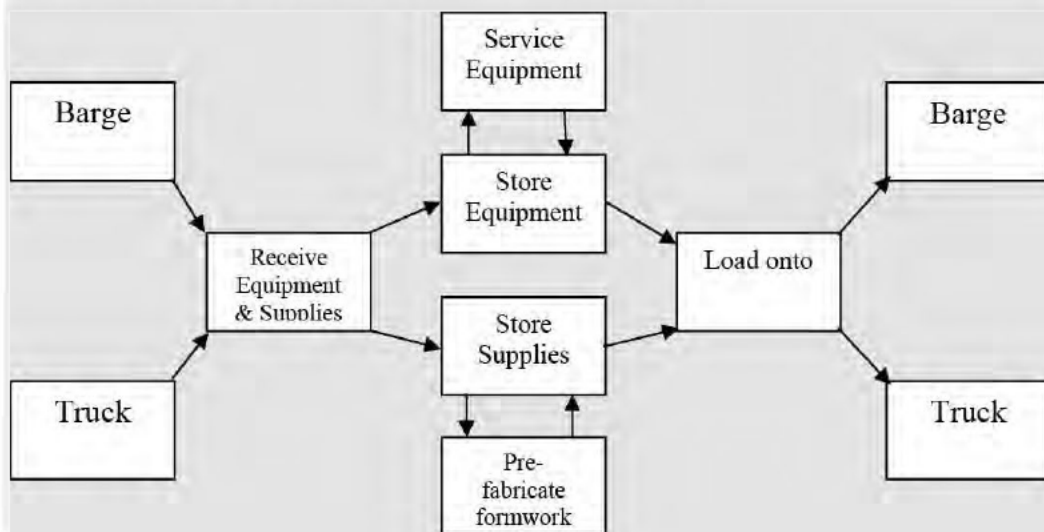
General carried out no operations at any properties within the Investigation Area; McEachern carried out operations in two buildings at the 4850 site: a warehouse and a shop facility. In addition, structural piles were stored in the yard. At the 8444 site, McEachern and Fletcher carried out operations in two "Quonset huts". One was used as a warehouse and the other was



used as a shop area. Both huts had concrete floors. The yard at 8444 was also used to store piling.

29. Provide a schematic diagram or flow chart that fully describes and/or illustrates the Respondent's operations on each Property.

General carried out no operations at any properties within the Investigation Area; McEachern (at both 4850 and 8444) and Fletcher (at 8444) carried out operations substantially as follows:



30. Provide a brief description of the nature of Respondent's operations at each location on each Property including:
- the date such operations commenced and concluded; and
  - the types of work performed at each location, including but not limited to the industrial, chemical, or institutional processes undertaken at each location.

See response to Questions 20-22; General has no additional information or documents responsive to this question.

31. If the nature or size of Respondent's operations changed over time, describe those changes and the dates they occurred.

While McEachern operated at both sites from the fifties through the seventies, business decreased; as a result, McEachern ceased operations at the 4850 site and sold the property in 1973. McEachern continued operations at the 8444 site until 1981, when McEachern's marine construction assets were sold to Fletcher (then known as General Construction Company). During Fletcher's time at the site, business decreased even further, leading to

the eventual closure of the 8444 site and the cessation of significant work along the Willamette, in 1985.

32. List the types of raw materials used in Respondent's operations, the products manufactured, recycled, recovered, treated, or otherwise processed in these operations.

McEachern and Fletcher received, stored, and installed piling made of steel, concrete or timber. Timber piling was raw or pretreated prior to purchase.

33. Provide copies of Material Safety Data Sheets (MSDS) for materials used in the Respondent's operations.

General has no information or documents responsive to this question.

34. Describe the cleaning and maintenance of the equipment and machinery involved in these operations, including but not limited to:

- a. the types of materials used to clean/maintain this equipment/machinery;
- b. the monthly or annual quantity of each such material used;
- c. the types of materials spilled in Respondent's operations;
- d. the materials used to clean up those spills;
- e. the methods used to clean up those spills; and
- f. where the materials used to clean up those spills were disposed of.

McEachern and Fletcher occasionally performed basic maintenance on construction vehicles and equipment, primarily involving replacing oil, greasing engines, and fueling vehicles; beyond this, General has no additional information or documents responsive to this question.

35. Describe the methods used to clean up spills of liquid or solid materials during Respondent's operation.

General has no additional information or documents responsive to this question.

36. For each type of waste (including by-products) from Respondent's operations, including but not limited to all liquids, sludges, and solids, provide the following information:

- a. its physical state;
- b. its nature and chemical composition;
- c. its color;
- d. its odor;

- e. the approximate monthly and annual volumes of each type of waste (using such measurements as gallons, cubic yards, pounds, etc.); and
- f. the dates (beginning & ending) during which each type of waste was produced by Respondent's operations.

See response to Question 21; General has no additional information or documents responsive to this question.

37. Provide a schematic diagram that indicates which part of Respondent's operations generated each type of waste, including but not limited to wastes generated by cleaning and maintenance of equipment and machinery and wastes resulting from spills of liquid materials.

General has no additional information or documents responsive to this question.

38. Identify all individuals who currently have and those who have had responsibility for Respondent's environmental matters (e.g. responsibility for the disposal, treatment, storage, recycling, or sale of Respondent's wastes). Also provide each individual's job title, duties, dates performing those duties, supervisors for those duties, current position or the date of the individual's resignation, and the nature of the information possessed by such individuals concerning Respondent's waste management.

General has no additional information or documents responsive to this question.

39. For each type of waste describe Respondent's contracts, agreements, or other arrangements for its disposal, treatment, or recycling.

See response to Question 16; General has no additional information or documents responsive to this question.

40. Provide copies of such contracts and other documents reflecting such agreements or arrangements, Including, but not limited to the following:
- a. state where Respondent sent each type of its waste for disposal, treatment, or recycling;
  - b. identify all entities and individuals who picked up waste from Respondent or who otherwise transported the waste away from Respondent's operations (these companies and individuals shall be called "Waste Carriers" for purposes of this Information Request);
  - c. if Respondent transported any of its wastes away from its operations, please so indicate;
  - d. for each type of waste specify which Waste Carrier picked it up;
  - e. indicate the ultimate disposal/recycling/treatment location for each type of waste;

- f. provide all documents indicating the ultimate disposal/recycling/treatment location for each type of waste; and
- g. state the basis for and provide any documents supporting the answer to the previous question.

General has no additional information or documents responsive to this question.

41. Describe all wastes disposed by Respondent into Respondent's drains including but not limited to:
- a. the nature and chemical composition of each type of waste;
  - b. the dates on which those wastes were disposed;
  - c. the approximate quantity of those wastes disposed by month and year;
  - d. the location to which these wastes drained (e.g. septic system or storage tank at the Property, pre- treatment plant, Publicly Owned Treatment Works (POTW), etc.); and
  - e. whether and what pretreatment was provided.

General has no additional information or documents responsive to this question.

42. Identify any sewage authority or treatment works to which Respondent's waste was sent.

General has no information or documents responsive to this question.

43. Describe all settling tank, septic system, or pretreatment system sludges or other treatment wastes resulting from Respondent's operations.

General has no information or documents responsive to this question.

44. If applicable, describe the facilities, processes and methods Respondent or Respondent's contractor used, and activities engaged in, either currently or in the past, related to ship building, retrofitting, maintenance or repair, including, but not limited to, dry-docking operations, tank cleaning, painting and re-powering.

General believes that neither McEachern nor Fletcher engaged in any activities related to ship building, retrofitting, maintenance or repair.

45. Describe any hazardous substances, wastes, or materials used or generated by the activities described in response to the previous Question and how these hazardous substances, materials and wastes were released or disposed of.

General has no additional information or documents responsive to this question.

46. Provide copies of any records you have in your possession, custody or control relative to the activities described in response to the previous two Questions.

General has no additional information or documents responsive to this question.

47. Describe any process or activity conducted on a Property identified in response to Question 4 involving the acquisition, manufacture, use, storage, handling, disposal or release or threatened release of polychlorinated biphenyl(s) ("PCB(s)" or PCB(s)-containing materials or liquids.

General believes that neither McEachern nor Fletcher acquired, manufactured, used, stored, handled, disposed or released any materials containing PCBs; General has no additional information or documents responsive to this question.

48. For each process or activity identified in response to the previous Question, describe the dates and duration of the activity or process and the quantity and type of PCB(s) or PCB(s) containing materials or liquids.

General has no additional information or documents responsive to this question.

49. For each process or activity identified in response to the previous two Questions, identify the location of the process or activity on the property.

General has no additional information or documents responsive to this question.

## **Section 5.0 Regulatory Information**

50. Identify all federal, state and local authorities that regulated the owner or operator of each Property and/or that interacted with the owner or operator of each Property. Your response is to address all interactions and in particular all contacts from agencies/departments that dealt with health and safety issues and/or environmental concerns.

General has no information or documents responsive to this question.

51. Describe all occurrences associated with violations, citations, deficiencies, and/or accidents concerning each Property during the period being investigated related to health



and safety issues and/or environmental concerns. Provide copies of all documents associated with each occurrence described.

General has no information or documents responsive to this question.

52. Provide a list of all local, state and federal environmental permits ever issued to the owner or operator on each Property (e.g., RCRA permits, NPDES permits, etc.). Please provide a copy of each federal and state permit, and the applications for each permit, ever issued to the owner or operator on each Property.

General has no information or documents responsive to this question.

53. Did the owner or operator ever file a Hazardous Waste Activity Notification under the RCRA? If so, provide a copy of such notification.

General has no information or documents responsive to this question.

54. Did the owner or operator's facility on each Property ever have "interim status" under the RCRA? If so, and the facility does not currently have interim status; describe the circumstances under which the facility lost interim status.

General has no information or documents responsive to this question.

55. Provide all RCRA Identification Numbers issued to Respondent by EPA or a state for Respondent's operations.

General has no information or documents responsive to this question.

56. Identify all federal offices to which Respondent has sent or filed hazardous substance or hazardous waste information. State the years during which such information was sent/filed.

General has no information or documents responsive to this question.

57. Identify all state offices to which Respondent has sent or filed hazardous substance or hazardous waste information. State the years during which such information was sent/filed.

General has no information or documents responsive to this question.

58. List all federal and state environmental laws and regulations under which Respondent has reported to federal or state governments, including but not limited to: Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., (TSCA); Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Sections 1101 et seq., (EPCRA); and the Clean Water Act (the Water Pollution Prevention and Control Act), 33 U.S.C. Sections 1251 et seq., Oregon Hazardous Substance Remedial Action Law, ORS 465.315, Oregon Water Quality law, ORS Chapter 468(b), Oregon Hazardous Waste and Hazardous Materials law, ORS Chapters 465 and 466, or Oregon Solid Waste law, ORS Chapter 459. Provide copies of each report made, or if only oral reporting was required, identify the federal and state offices to which such report was made.

General has no information or documents responsive to this question.

59. Provide a copy of any registrations, notifications, inspections or reports required by the Toxic Substances Control Act, 15 USC § 2601 et seq., or state law, to be maintained or submitted to any government agency, including fire marshal(s), relating to PCB(s) or PCB(s) containing materials or liquids on any Property identified in response to Question 4.

General has no information or documents responsive to this question.

60. Has Respondent or Respondent's contractors, lessees, tenants, or agents ever contacted, provided notice to, or made a report to the Oregon Department of State Lands ("DSL") or any other state agency concerning an incident, accident, spill, release, or other event involving Respondent's leased state aquatic lands? If so, describe each incident, accident, spill, release, or other event and provide copies of all communications between Respondent or its agents and DSL or the other state agency and all documents that were exchanged between Respondent, its agents and DSL or other state agency.

General has no information or documents responsive to this question.

61. Describe all notice or reporting requirements to DSL that you had under an aquatic lands lease or state law or regulation regarding incidents affecting, or activities or operations occurring on leased aquatic lands. Include the nature of the matter required to be reported and the office or official to whom the notice or report went to. Provide copies of all such notices or reports.

General has no information or documents responsive to this question.

## **Section 6.0 Releases and Remediation**

62. Identify all leaks, spills, or releases into the environment of any waste, including petroleum, hazardous substances, pollutants, or contaminants, that have occurred at or from each Property, which includes any aquatic lands owned or leased by Respondent. In addition, identify, and provide copies of any documents regarding:
- when such releases occurred;
  - how the releases occurred (e.g. when the substances were being stored, delivered by a vendor, transported or transferred (to or from any tanks, drums, barrels, or recovery units), and treated);
  - the amount of each hazardous substances, pollutants, or contaminants so released;
  - where such releases occurred;
  - any and all activities undertaken in response to each such release or threatened release, including the notification of any agencies or governmental units about the release;
  - any and all investigations of the circumstances, nature, extent or location of each release or threatened release including, the results of any soil, water (ground and surface), or air testing undertaken;
  - all persons with information relating to these releases; and
  - list all local, state, or federal departments or agencies notified of the release, if applicable.

General is unaware of any leaks, spills or releases occurring on the Properties.

63. Was there ever a spill, leak, release or discharge of waste, including petroleum, or hazardous substances, pollutant or contaminant into any subsurface disposal system or floor drain inside or under a building on the Property? If the answer to the preceding question is anything but an unqualified "no", identify:
- where the disposal system or floor drains were located;
  - when the disposal system or floor drains were installed;
  - whether the disposal system or floor drains were connected to pipes;
  - where such pipes were located and emptied;
  - when such pipes were installed;
  - how and when such pipes were replaced, or repaired; and
  - whether such pipes ever leaked or in any way released such waste or hazardous substances into the environment.

General has no additional information or documents responsive to this question.



64. Has any contaminated soil ever been excavated or removed from the Property? Unless the answer to the preceding question is anything besides an unequivocal "no", identify and provide copies of any documents regarding:
- a. amount of soil excavated;
  - b. location of excavation presented on a map or aerial photograph;
  - c. manner and place of disposal and/or storage of excavated soil;
  - d. dates of soil excavation;
  - e. identity of persons who excavated or removed the soil, if other than a contractor for Respondent;
  - f. reason for soil excavation;
  - g. whether the excavation or removed soil contained hazardous substances, pollutants or contaminants, including petroleum, what constituents the soil contained, and why the soil contained such constituents;
  - h. all analyses or tests and results of analyses of the soil that was removed from the Property;
  - i. all analyses or tests and results of analyses of the excavated area after the soil was removed from the Property; and
  - j. all persons, including contractors, with information about (a) through (i) of this request.

General has no information or documents responsive to this question.

65. Have you ever tested the groundwater under your Property? If so, please provide copies of all data, analysis, and reports generated from such testing.

General is unaware of any tests performed by McEachern or Fletcher.

66. Have you treated, pumped, or taken any kind of response action on groundwater under your Property? Unless the answer to the preceding question is anything besides an unequivocal "no", identify and provide copies of any documents regarding:
- a. reason for groundwater action;
  - b. whether the groundwater contained hazardous substances, pollutants or contaminants, including petroleum, what constituents the groundwater contained, and why the groundwater contained such constituents;
  - c. all analyses or tests and results of analyses of the groundwater;
  - d. if the groundwater action has been completed, describe the basis for ending the groundwater action; and
  - e. all persons, including contractors, with information about (a) through (c) of this request.

General has no information or documents responsive to this question.

67. Was there ever a spill, leak, release or discharge of a hazardous substance, waste, or material into the Willamette River from any equipment, structure, or activity occurring on, over, or adjacent to the river? If the answer to the preceding question is anything but an unequivocal "no", identify and provide copies of any documents regarding:
- the nature of the hazardous substance, waste, or material spilled, leaked, released or discharged;
  - the dates of each such occurrence;
  - the amount and location of such release;
  - were sheens on the river created by the release;
  - was there ever a need to remove or dredge any solid waste, bulk product, or other material from the river as a result of the release? If so, please provide information and description of when such removal/dredging occurred, why, and where the removed/dredged materials were disposed.

General is unaware of any leaks; General has no information or documents responsive to this question.

68. For any releases or threatened releases of PCB(s), identify the date, quantity, location and type of PCB(s), or PCB(s) containing materials or liquids, and the nature of any response to or cleanup of the release.

General is unaware of any releases of PCBs; General has no information or documents responsive to this question.

69. For any releases or threatened releases of PCB(s) and/or PCB(s) containing materials or liquids, identify and provide copies of any documents regarding the quantity and type of waste generated as a result of the release or threatened release, the disposition of the waste, provide any reports or records relating to the release or threatened release, the response or cleanup and any records relating to any enforcement proceeding relating to the release or threatened release.

General is unaware of any releases of PCBs; General has no information or documents responsive to this question.

## **Section 7.0 Property Investigations**

70. Provide information and documentation concerning all inspections, evaluations, safety audits, correspondence and any other documents associated with the conditions, practices, and/or procedures at the Property concerning insurance issues or insurance coverage matters.

General has no information or documents responsive to this question.

71. Describe the purpose for, the date of initiation and completion, and the results of any investigations of soil, water (ground or surface), sediment, geology, and hydrology or air quality on or about each Property. Provide copies of all data, reports, and other documents that were generated by you or a consultant, or a federal or state regulatory agency related to the investigations that are described.

General has no information or documents responsive to this question.

72. Describe any remediation or response actions you or your agents or consultants have ever taken on each Property either voluntarily or as required by any state or federal agency. If not otherwise already provided under this Information Request, provide copies of all investigations, risk assessments or risk evaluations, feasibility studies, alternatives analysis, implementation plans, decision documents, monitoring plans, maintenance plans, completion reports, or other document concerning remediation or response actions taken on each Property.

General has no information or documents responsive to this question.

73. Are you or your consultants planning to perform any investigations of the soil, water (ground or surface), geology, hydrology, and/or air quality on or about the Property? If so, identify:
- what the nature and scope of these investigations will be;
  - the contractors or other persons that will undertake these investigations;
  - the purpose of the investigations;
  - the dates when such investigations will take place and be completed; and
  - where on the Property such investigations will take place.

General has no plans to perform any investigations on the properties.

## **Section 8.0 Corporate Information**

74. Provide the following information, when applicable, about you and/or your business(es) that are associated with each Property identified in response to Question 4:
- state the current legal ownership structure (e.g., corporation, sole proprietorship);
  - state the names and current addresses of current and past owners of the business entity or, if a corporation, current and past officers and directors;

- c. discuss all changes in the business' legal ownership structure, including any corporate successorship, since the inception of the business entity. For example, a business that starts as a sole proprietorship, but then incorporates after a few years, or a business that is subsequently acquired by and merged into a successor. Please include the dates and the names of all parties involved;
- d. the names and addresses of all current or past business entities or subsidiaries in which you or your business has or had an interest that have had any operational or ownership connection with the Properties identified in response to Question 4. Briefly describe the business activities of each such identified business entities or subsidiaries; and
- e. if your business formerly owned or operated a Property identified in response to Question 4, describe any arrangements made with successor owners or operators regarding liability for environmental contamination or property damage.

a. General Construction Company is a Washington corporation formed in 1996. See Exh. 10. However, General is not a successor corporation to Fletcher or McEachern.

b. For a list of current and past officers and directors of the Corporation, please see Exh 16. These individuals can be contacted through Peter Kiewit Sons.

c. In 2001, Kiewit Construction Group, Inc.(KCG) executed a purchase of General. KCG purchased 100% of General's stock. KCG then created a Delaware corporation, also called General Construction Company. KCG merged the two corporations, and the surviving corporation, General Construction Company, is a Delaware corporation. General is currently a subsidiary of Kiewit Pacific Co., and remains an independent corporation.

d. General has no subsidiaries or other business entities with an operational or ownership connection to the Properties.

e. General has never owned or operated any properties within the Investigation Area.

75. List all names under which your company or business has ever operated and has ever been incorporated. For each name, provide the following information:

- a. whether the company or business continues to exist, indicating the date and means by which it ceased operations (e.g., dissolution, bankruptcy, sale) if it is no longer in business;
- b. names, addresses, and telephone numbers of all registered agents, officers, and operations management personnel; and



- c. names, addresses, and telephone numbers of all subsidiaries, unincorporated divisions or operating units, affiliates, and parent corporations if any, of the Respondent.

McEachern Company was formed in 1911 (b) (6) Dan and Jack McEachern. In 1932, the McEachern Company merged with a construction company called General Construction. The resulting corporation was known as General Construction Company (herein after, "McEachern's General"), and was owned by the McEachern family.

In 1981, McEachern's General sold off the majority of its marine construction assets, including the General Construction name, to Wright Schuchart, Incorporated. See Exh. 7. At the same time, McEachern's General changed its name to McEachern Corporation. See Exh. 8. McEachern Corporation retained ownership of much of the real estate that it owned, and retained most of its former liabilities.

As the McEachern-Wright Schuchart transaction was an asset purchase only, Wright Schuchart was not a successor to McEachern's General. In deed, as discussed above, McEachern's General survived and was renamed McEachern Corporation. McEachern Corporation retained both its liabilities and its substantial real estate assets.

Wright Schuchart then caused a corporation known as General Construction Company (hereafter, "Wright Schuchart's General") to be formed in the State of Washington. See Exh. 9. Wright Schuchart transferred the purchased assets to this newly formed corporation, and Wright Schuchart's General continued to lease property in the Investigation Area from the McEachern Corporation. This company ceased to do work in the Investigation Area in 1985, and the lease expired.

In 1987, Fletcher Challenge LTD purchased Wright Schuchart and all its subsidiaries in a straight out stock purchase. Fletcher Challenge merged Wright Schuchart's General with another subsidiary, Wright Schuchart Harbor, and renamed the new corporation Fletcher General Construction Company ("Fletcher General"). Fletcher General continued to work in marine and industrial construction, and is believed to have been a successor-in-interest to Wright Schuchart's General.

The currently-existing General Construction Company is a corporation formed in 1996 in Washington State as part of a

management asset purchase of Fletcher General Construction. See Exh. 11 and 12. However, General is not a successor corporation to Fletcher General. Fletcher General transferred the majority of its assets into General as part of a transaction for which it received approximately \$21,500,000. Fletcher General retained its own corporate status, its own name, its pre-existing liabilities, and a number of assets. Fletcher General has honored its liabilities for over ten years.

As a result of the management asset purchase, ownership of General vested in GC Investments. Thereafter, in 2002, a Kiewit subsidiary purchased 100% of General's stock, and then merged with General; the surviving company, General Construction Company, is now a Delaware corporation. General is currently a subsidiary of Kiewit Pacific Co., which is itself a subsidiary of Kiewit Corporation. General remains an independent corporation.

In 2001, Fletcher General merged with Fletcher Construction Company North America (hereafter, "Fletcher"). In the merger, Fletcher became responsible for all of Fletcher General's pre-1996 liabilities. Fletcher continued to honor these liabilities after the merger.

The General Construction Company that exists today as a subsidiary of Kiewit Pacific Co. is not a successor to McEachern's General, or to Fletcher General. Both those companies continued to exist, with substantial assets, long after the asset purchase transactions in question, and both companies continued to honor their preexisting liabilities.

76. Provide all copies of the Respondent's authority to do business in Oregon. Include all authorizations, withdrawals, suspensions and reinstatements.

Attached as Exh. 13 and 14 are General's Contractor Licenses and Corporate Registrations in the State of Oregon.

77. If Respondent is, or was at any time, a subsidiary of, otherwise owned or controlled by, or otherwise affiliated with another corporation or entity, then describe the full nature of each such corporate relationship, including but not limited to:
- a. a general statement of the nature of relationship, indicating whether or not the affiliated entity had, or exercised, any degree of control over the daily operations or decision-making of the Respondent's business operations at the Site;
  - b. the dates such relationship existed;
  - c. the percentage of ownership of Respondent that is held by such other entity(ies);

- d. for each such affiliated entity provide the names and complete addresses of its parent, subsidiary, and otherwise affiliated entities, as well as the names and addresses of each such affiliated entity's officers, directors, partners, trustees, beneficiaries, and/or shareholders owning more than five percent of that affiliated entity's stock;
- e. provide any and all insurance policies for such affiliated entity(ies) which may possibly cover the liabilities of the Respondent at each Property; and
- f. provide any and all corporate financial information of such affiliated entities, including but not limited to total revenue or total sales, net income, depreciation, total assets and total current assets, total liabilities and total current liabilities, net working capital (or net current assets), and net worth.

See response to Questions 74 and 75 above; General was originally a wholly owned subsidiary of GC Investments, and is currently a wholly owned subsidiary of Kiewit Pacific Co. During both periods of ownership, General had no connection whatsoever with the properties identified in response to Question 4. Attached as Exh. 15 are financial statements for Kiewit Pacific Co.

78. If Respondent is a partnership, please describe the partnership and provide a history of the partnership's existence. Provide a list of all current and past partners of any status (e.g., general, limited, etc.) and provide copies of all documents that created, govern, and otherwise rules the partnership, including any amendments or modifications to any of the originals of such documents, and at least five years of partnership meeting minutes.

Not applicable.

## Section 9.0 Compliance With This Request

79. Describe all sources reviewed or consulted in responding to this request, including, but not limited to:

- a. the name and current job title of all individuals consulted;

Ron Morford,	President,	General Construction
Robert Rau, Jr.,	Senior Estimator,	General Construction
Dennis Ahl,	Contract Administrator	General Construction
Greg Casper,	District Business Manager	General Construction

- b. the location where all sources reviewed are currently reside; and

19472 Powder Hill Place NE, Poulsbo, WA 98370.

- c. the date consulted.

May 1, 2008; May 7, 2008; June 5, 2008.



80. If not already provided, identify and provide a last known address or phone number for all persons, including Respondent's current and former employees or agents, other than attorneys, who have knowledge or information about the generation, use, purchase, storage, disposal, placement, or other handling of hazardous materials at, or transportation of hazardous substances, waste, or materials to or from, each Property identified in response to Question 4.

Dennis Ahl, Bob Rau, and Ron Morford are the only individuals at General with any knowledge of the operations of McEachern and Fletcher on the Portland sites; their contact information has already been provided.

81. If any of the documents solicited in this information request are no longer available, please indicate the reason why they are no longer available. If the records were destroyed, provide us with the following:
- the document retention policy between 1937 and the present;
  - the approximate date of destruction;
  - a description of the type of information that would have been contained in the documents;
  - the name, job title and most current address known by you of the person(s) who would have produced these documents; the person(s) who would have been responsible for the retention of these documents; the person(s) who would have been responsible for destroying the documents; and the person(s) who had and/or still have the originals or copies of these documents; and
  - the names and most current addresses of any person(s) who may possess documents relevant to this inquiry.

Fletcher retained all documents relating to Fletcher General's activities. With the exception of a handful of documents and photographs inadvertently maintained, General has never had ownership of the documents generated during Fletcher or McEachern's occupation of the Properties. General has no knowledge regarding whether such documents have been destroyed, or what information such documents contain. General suggests that the EPA seek out information from McEachern Corporation and Fletcher Construction Company North America. General has the following contact person for Fletcher Construction Company North America: Ron A Johnson, P.O. Box 2353, Issaquah, WA 98027-0106. (425) 641-3102, fax: 425-747-0633, (b) (6)

82. Provide a description of all records available to you that relate to all of the questions in this request, but which have not been included in your responses.



General has produced portions of the Asset Purchase Agreement between McEachern and Wright Schuchart Inc. However, the entire agreement is lengthy and not responsive to the EPA's questions. Therefore, it has not been produced.

## INSTRUCTIONS

1. Answer Each Question Completely. Provide a separate answer to each question and subpart set forth in this Information Request. Please provide responses to all the questions in this Information Request for each Property identified in response to Question 4 of Section 2.0, when appropriate. For each Response clearly identify the Property or Properties to which the response applies. Incomplete, evasive, or ambiguous answers shall constitute failure to respond to this Information Request and may subject the Respondent to the penalties set out in the cover letter.
2. Response and Copies of Documents Must be on Paper (hard copy). Provide the responses to this Information Request and at least one copy of all requested documents on hard copy paper.

There is a Portland Harbor PRP search website:

(<http://yosemite.epa.gov/R10/CLEANUP.NSF/7d19cd587dff1eee8825685f007d56b7/75e7f27bd108f3eb88256f4a007ba018!OpenDocument>) that lists documents in the Superfund program's files related to certain facilities or parties. You do not need to provide a copy of a document that appears on the list if EPA has a complete copy. If a document is on EPA's list, you still must provide a complete Response to each question in this Information Request and, if necessary in order to completely respond to a Question, describe the content of any document in EPA's files in your Response.

You may also provide a second copy of the response electronically on a compact disc, if you choose, in Portable Document Format (PDF) format. If possible, further format large documents as follows;

- a. Bookmark documents longer than 10 pages for easier navigation (e.g., chapters);
- b. Ensure that file/document properties/initial view is for "bookmarks panel and page" if there are bookmarks.
- c. For document composed of multiple files, link together with a starter file that is less than 2 MB, i.e., the document's executive summary. The executive summary should have a bookmarks panel with bookmark links to the other files. Ensure that all files are saved to the same folder, rather than multiple folders so that the linkage is retained.
- d. Bookmarks to other files should indicate the name of that file (and size of that file, if over 1 MB).
- e. "Tag" the document for accessibility if this was not done by the source application (advanced/accessibility/tag).
- f. Enter document properties: 1) title, author (should be XXXX for EPA Region 10), 2) subject, and 3) keywords.

3. Number Each Answer. Number each answer with the number of the question to which it corresponds.
4. Provide the Best Information Available. Provide responses to the best of Respondent's ability, even if the information sought was never put down in writing or if the written documents are no longer available. Seek out responsive information from current and former employees/agents. Submission of cursory responses when other responsive information is available to the Respondent will be considered noncompliance with this Information Request.
5. Identify Information Sources. For each question, identify all persons and documents relied upon for the answer.
6. Confidential Information. The information requested herein must be provided even though the Respondent may contend that it includes confidential information or trade secrets. The Respondent may assert a confidentiality claim covering part or all of the information requested, pursuant to 42 U.S.C. ' ' 9604(e)(7)(E) and (F), and 40 C.F.R. ' 2.203(b). All information claimed to be confidential should be contained on separate sheet(s) and should be clearly identified as "trade secret" or "proprietary" or "company confidential." A confidentiality claim should be supported by the submission of information consistent with 40 C.F.R. Part 2. Information covered by a confidentiality claim will be disclosed by EPA only to the extent, and only by means of the procedures, provided in 40 C.F.R. ' ' 2.201-2.311. If no such claim accompanies the information received by EPA, it may be made available to the public by EPA without further notice.
7. Disclosure to EPA Contractor. Information submitted in response to this Information Request may be disclosed by EPA to authorized representatives of the United States, pursuant to 40 C.F.R. 2.310(h), even if the Respondent asserts that all or part of it is confidential business information. EPA may provide this information to its contractors for the purpose of organizing and/or analyzing the information contained in the responses to this Information Request. If submitting information and asserting it is entitled to treatment as confidential business information, the Respondent may comment on EPA's intended disclosure within 14 days of receiving this Information Request.
8. Personal Privacy Information. Personnel and medical files, and similar files the disclosure of which to the general public may constitute an invasion of privacy, should be segregated from responses, included on separate sheet(s), and marked as "Personal Privacy Information". Note, however, that unless prohibited by law, EPA may disclose this information to the general public without further notice.
9. Objections. The Respondent must provide responsive information notwithstanding objections to certain questions. To object without providing responsive information may subject Respondent to the penalties set out in the cover letter.

10. Privilege. If a privilege is asserted for any document responsive to this Information Request, identify (see Definitions) the document and provide the basis for assertion. If a privilege exists for only a portion of a document, provide the portion of the document that is not asserted be privileged, identify the portion that is asserted to be privileged, and provide the basis for asserting privilege. Please note that regardless of the assertion of any privilege, any facts contained in the document which are responsive to the Information Request must be disclosed in your response.
11. Declaration. The Respondent must complete the enclosed declaration, certifying the accuracy of all statements in your response.

## DEFINITIONS

All terms not defined herein shall have their ordinary meaning, unless such terms are defined in Section 101 of CERCLA, 42 U.S.C. ' 9601, *et seq.*, or Volume 40 of the Code of Federal Regulations (CFR), in which case such statutory or regulatory definitions shall apply.

The following definitions shall apply to the following words as they appear in this Enclosure:

1. The term "you" or "Respondent" shall mean the addressee of this Request, together with the addressee's officers, managers, agents, employees, contractors, trustees, successors, assigns, and any predecessor or successor corporations or companies.
2. The term business activities shall mean all actions, endeavors, ventures, or financing arrangements related in any manner whatsoever to the use and development of the Property, including surveying, sampling, grading, documentation, photography, demolition, construction, and waste disposal, and sales.
3. The terms "document" and "documents" shall mean any method of recording, storing, or transmitting information. "Document" shall include, but not be limited to:
  - a. writings of any kind, including, but not limited to, any of the following:
    - i. letters, memoranda, email or fax transmittals;
    - ii. any film, photograph, or sound recording on any type of device;
    - iii. meeting minutes, telephone records, notebooks;
    - iv. agreements and contracts;
    - v. reports to shareholders, management, or government agencies;
    - vi. transportation manifests;
    - vii. copies of any document;
    - viii. report, notices, analysis, notebook.
  - b. any blueprints or drawings; and

- c. attachments to, or enclosures with, any document.
4. The term "identify" means, with respect to a natural person, to set forth: (a) the person's full name, (b) present or last known business and home addresses and telephone numbers; and (c) present or last known employer (include full name and address) with job title, position, or business.
  5. The term "identify" means, with respect to a corporation, partnership, business trust, or other entity, to set forth: (a) its full name; (b) complete street address; (c) legal form (e.g., corporation, partnership, etc.); (d) the state under whose laws the entity was organized; and (e) a brief description of its business.
  6. The term "identify" means, with respect to a document, to provide: (a) its customary business description (e.g., letter, invoice); (b) its date; (c) its number if any (e.g., invoice or purchase order number); (d) the identity of the author, addressee, and/or recipient; and (e) a summary of the substance or the subject matter. Alternatively, Respondent may provide a complete copy of the document.
  7. The term "Investigation Area" refers to the area in and adjacent to the Willamette River in which EPA is currently conducting its PRP search and is bounded to the North by the confluence of the Columbia Slough, approximately River Mile 1.7 and bounded to the South at River Mile 12 and bounded to the East by a line following N Lombard St. to N Columbia Blvd. to Chimney Park to N. Commando Ave. to N Lombard St. to N Reno Ave. to N Edison St. to N Catlin Ave to N Decatur St. to N Baltimore Ave. to N Crawford St. to N Polk Ave. to N Willamette Blvd. to N Greeley Ave to N Interstate Ave. and bounded to the West by a line following NW Gillihan Rd. on Sauvie Island to Columbia River Hwy 30 to NW St. Helens Rd. to NW Nicolai St. to NW Vaughn St. to NW Thurman St. to NW 14th Ave. to NW Raleigh St. to NW 13th Ave. to NW Pettygrove St. to NW 12th Ave to NW Overton St. to NW 9th Ave. to NW Lovejoy St. to NW Broadway to NW Glisan St. Additionally, the area included between the Columbia River Hwy 30 and Forest Park is included in the definition of Investigation Area. See attached Investigation Area Map for a visual depiction of the Investigation Area.
  8. The term "material" or "materials" shall mean any and all raw materials, commercial products, wastes, oil, petroleum, chemicals, substances, or matter of any kind.
  9. The "period being investigated" and "the relevant time period" shall mean 1937 to present.
  10. The term "Property(ies)" shall refer to any and all real or personal property within the Portland Harbor Investigation Area that Respondent owns, leases, manages, operates, has an easement on, or otherwise has an affiliation, or previously owned, leased, managed, operated, had an easement on, or otherwise had an affiliation during the period being investigated. The term Property includes aquatic lands owned, leased, or otherwise controlled by Respondent. Please note that you must answer the Questions in this Information Request related to properties outside the Investigation Area if Question 4,

Section 2.0 specifically instructs you to.

11. The term "waste" or "wastes" shall mean and include trash, garbage, refuse, by-products, solid waste, hazardous waste, hazardous substances, and pollutants or contaminants, whether solid, liquid, or sludge, including, but not limited to, containers for temporary or permanent holding of wastes, building debris and asbestos-containing material.

## DECLARATION

I declare under penalty of perjury that I am authorized to respond on behalf of Respondent and that the foregoing is complete, true, and correct.

Executed on June 16, 2008.

A handwritten signature in black ink, appearing to read "Daniel C. Connolly", written over a horizontal line.

Signature

Daniel C. Connolly

Type or Print Name

Attorney for General Construction Company

Title

Mailing Address:

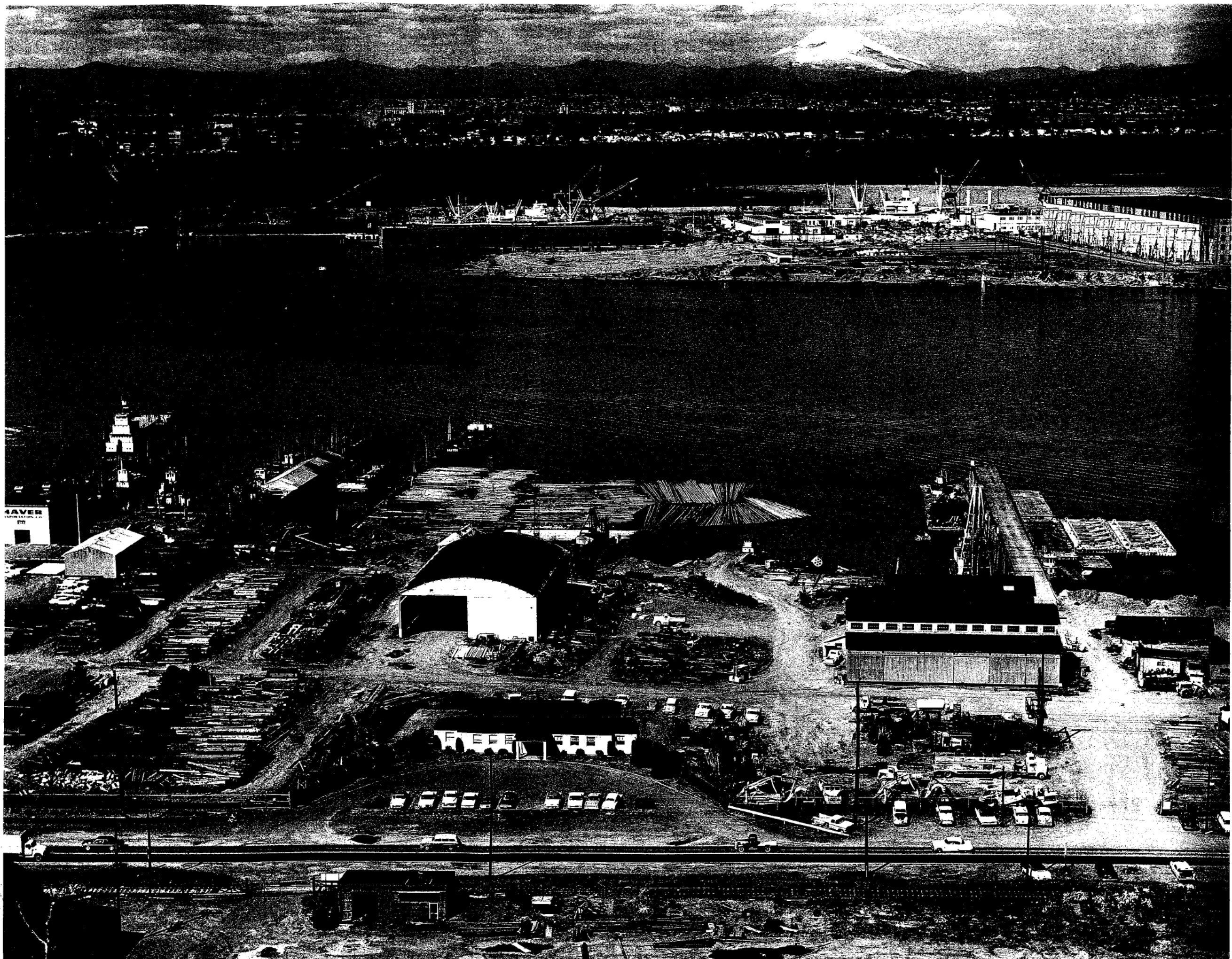
Daniel C. Carmalt  
Attorney  
Groff Murphy PLLC  
300 E. Pine Street  
Seattle, Washington, 98122

General Construction CERCLA Response: Index of Documents

Number	Description	Date
1	Aerial Photograph, 4850 N.W. Front Ave	Unknown
2	Aerial Photograph, 4850 N.W. Front Ave	Unknown
3	Map with Elevation Lines, 4850 N.W. Front Ave	Unknown
4	Aerial Photograph, 8444 St. Helens Road	Unknown
5	Map depicting General Construction property	Unknown
6	Lease (Portland)	2/2/81
7	Agreement for Sale and Purchase of Assets: Wright Schuchart and McEachern	2/3/81
8	Certified Resolution (Asset sale and name change: McEachern Corporation)	2/3/81
9	Articles of Incorporation: General Construction Company (now known as Fletcher Construction Company North America)	2/3/81
10	Articles of Incorporation: General Construction Company	8/27/96
11	Stock Subscription Agreement: General and Fletcher General	10/10/96
12	Stock Purchase Agreement: GC Investments and Fletcher General	10/17/96
13	General Construction Oregon Registrations	1996-2008
14	General Construction Oregon Licenses	1996-2008
15	Kiewit Pacific Co. Financial Statements (Confidential)	12/29/07
16	General Construction Officers and Directors	1996-2007

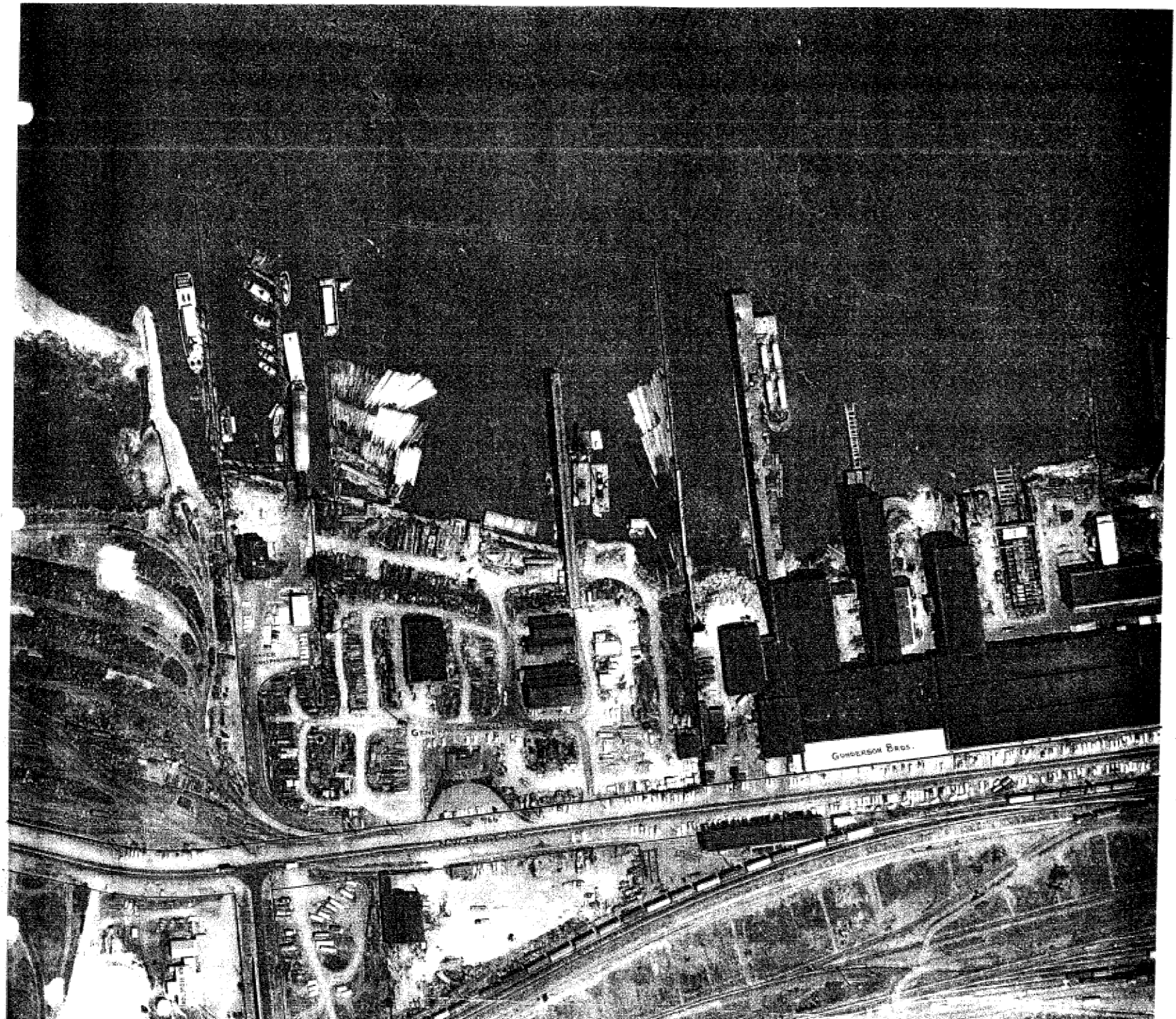


**Exhibit 1**













N.W. FRONT AVE. 755.15

PAVEMENT 10' EACH SIDE

PROPERTY LINE

S 62° 26' 30" E 755.87

Office

Shop

FIRE ZONE BOUNDARY '5

LEAK LINE

Dock 20' x 480'

N 30° 00' E 492.84

188' (SCALED)

HARBOR LINE N 47° 37' 34" W 770' (SCALED)

WILLAMETTE RIVER  
FLOW

TO OBTAIN DEPTH BASED ON  
RIVER GAGE DATUM, ADD  
1.0 FT TO EACH DEPTH.  
12. - 10 = - 11.8 ON RIVER GAGE

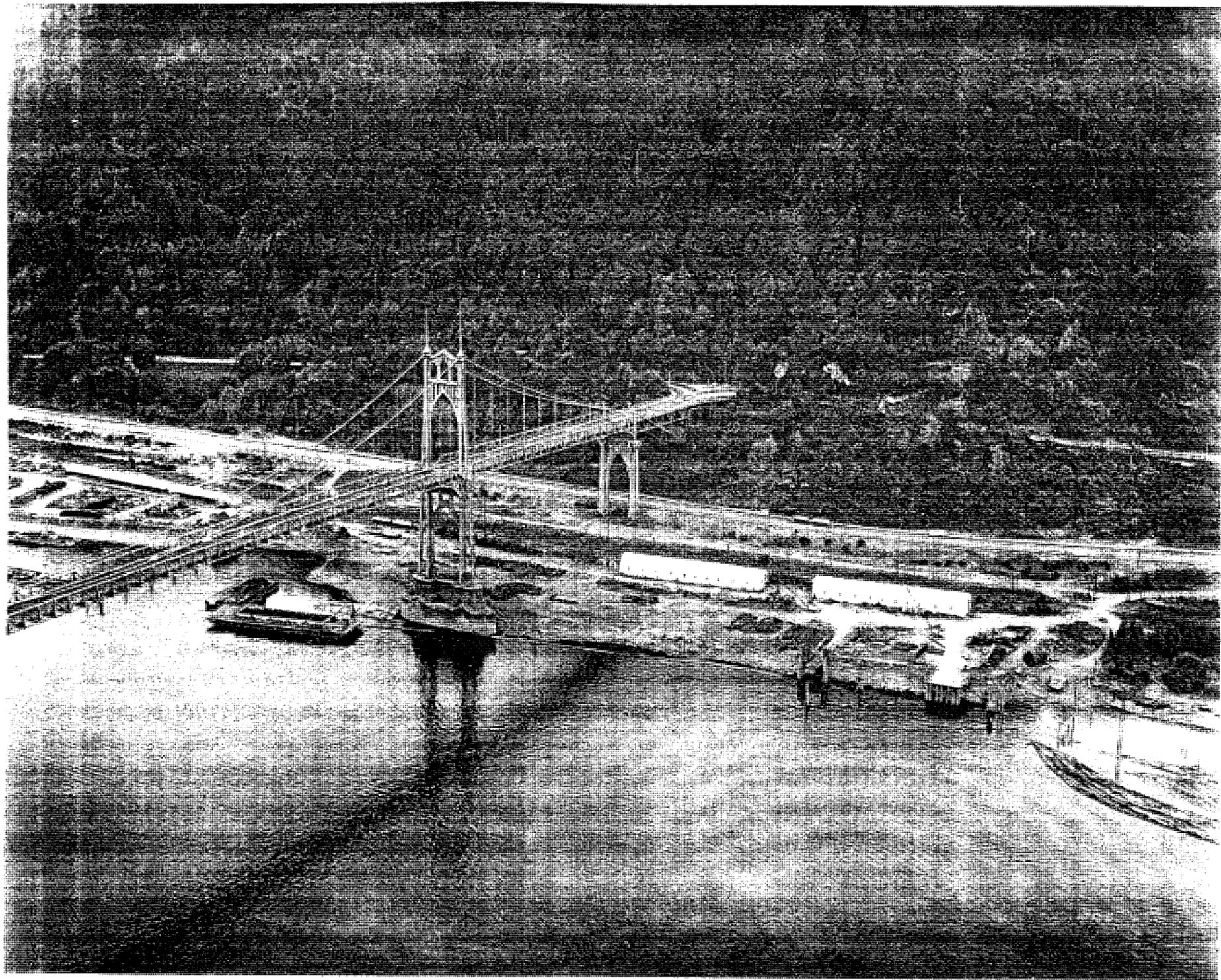
ALL ELEVATIONS  
SEA LEVEL DATUM

REFERENCE DRAWINGS:  
I.M. GREENWOOD DWG JAN 23, 1958  
CITY OF PORTLAND SHEET 2524  
COMMISSION OF PUBLIC WORKS  
WEST SIDE HARBOR SURVEY SHEET 64-100  
CORPS OF ENGINEERS  
HARBOR LINES WR-3-4/5  
GILPIN CONSTRUCTION CO. REVISED 12-18-51  
GENERAL CONSTRUCTION COMPANY  
PLOT PLAN - MAIN YARD MAY 17, 1962  
MAIN YARD LAYOUT 3-2-65

PROPERTY AREA  
SEC 18 T1N1E T44 18.08 AC  
" " " " 94 4.22  
TOTAL 22.40 AC

**GENERAL CONSTRUCTION CO.**  
PORTLAND, OREGON  
YARD AT 4850 N.W. FRONT AVE  
PORTLAND, OREGON  
TRACT LOCATED IN SEV. PORTS DEC  
SEC 19 T1N1E T44  
SCALE 1" = 25' AS SHOWN

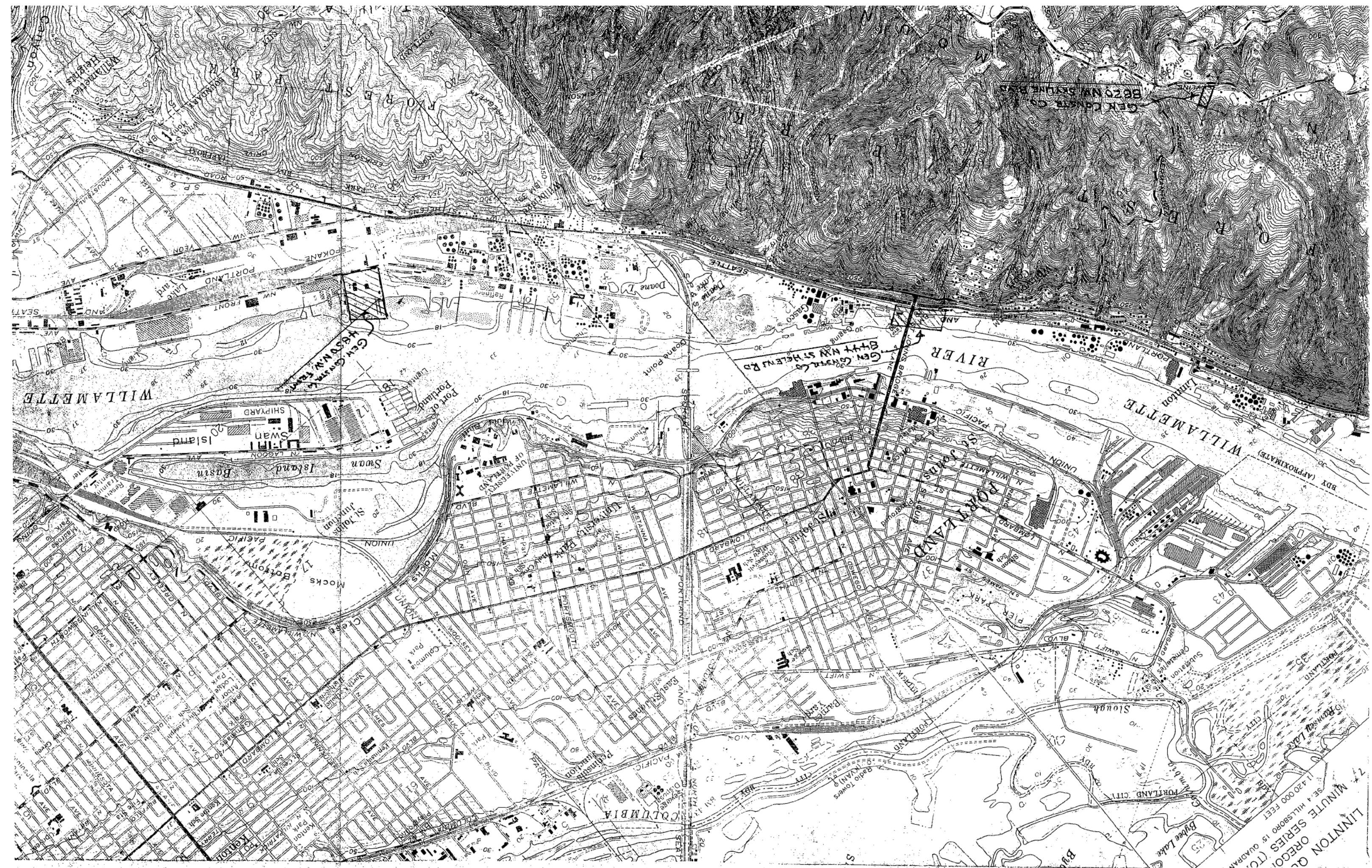




See page 111 of book







7. LINNONTON OREGON  
MINUTE SERIES (TO  
SE 4 HILLSBORO 15 QUADRA  
1:420,000 FEET



LEASE (PORTLAND)

THIS LEASE entered into as of the 2nd day of February, 1981, between MCEACHERN CORPORATION, a Washington corporation ("Lessor") and WRIGHT SCHUCHART, INC., a Washington corporation ("Lessee"),

WITNESSETH

A. Lessor and Lessee are parties to that certain Agreement for Sale and Purchase of Assets dated 3 February, 1981 (the "Sale Agreement") whereby Lessor has agreed to sell to Lessee certain of the assets of Lessor's Marine Division.

B. Lessor and Lessee have entered into this Lease, three other leases with respect to three other parcels of property and the improvements thereon (the "Other Leases"), four assignments of leases with respect to four other parcels of property (the "Lease Assignments"), and Lessee has made a Promissory Note (the "Note"), a Security Agreement (the "Security Agreement"), and a Preferred Fleet Ship Mortgage (the "Fleet Mortgage") in favor of Lessor, all as required by and as more fully described in the Sale Agreement.

THEREFORE, in consideration thereof and of the mutual promises, covenants and conditions hereinafter set forth, the parties agree as follows:

1. Premises. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the real property located in Portland, Multnomah County, Oregon which is described more particularly in Exhibit A hereto together with the buildings and other improvements situated or to be situated thereon (the "Premises").

2. Term. This Lease shall be for an initial term ("Initial Term") of one (1) year, commencing on February 2, 1981, and terminating at midnight on January 31, 1982. Lessee shall have the option to renew this Lease up to three (3) times for a term of one (1) year upon each renewal (collectively, the "Renewal Terms") on the same terms and conditions herein at a rental determined as set forth below. Written notice of Lessee's election to exercise the option for each Renewal Term must be given to Lessor at least sixty (60) days prior to the expiration of the then current Initial or Renewal Term. This Lease shall in any event terminate upon the earlier of midnight, January 31, 1985, and the expiration of any Initial or Renewal Term in which Lessee has not exercised its renewal option.



3. Rent. Rental during the Initial Term shall be SIX THOUSAND SEVEN HUNDRED NINETY-ONE DOLLARS (\$6,791), which shall be payable monthly in advance to Lessor at 200 S.W. Michigan Street, Seattle, Washington 98106, or at such other address as Lessor shall from time to time advise Lessee in writing. Rental for the month of February, 1981, shall commence on February 2, 1981, and shall be payable on said date. Monthly rental during each respective Renewal Term shall equal the monthly rental during the Initial Term, increased or decreased to reflect proportionate differences in the Consumer Price Index - All Items for All Urban Consumers for the Seattle-Everett area, as published by the United States Department of Labor, Bureau of Statistics (the "Index") between the first day of the Initial Term and the first day of such Renewal Term. Such adjustment shall be made by multiplying the monthly rental during the Initial Term by a fraction, the numerator of which shall be the Index as of the most recent date prior to the first day of such Renewal Term and the denominator of which shall be the Index as of the most recent date prior to the date of this Lease. Rental for the first month of each Renewal Term shall be paid in advance in the amount of monthly rental during the preceding Initial or Renewal Term and shall be adjusted to equal the rental during such Renewal Term by an additional rental payment or by a refund of any excess payment, made without interest, on or before the end of such month. If the Index is discontinued, Lessor shall substitute a similar index of consumer prices.

4. Use. Lessee may use the Premises only for purposes of a construction yard and the maintenance of radio antennae and for such other lawful purposes as may be incidental thereto. Lessee shall not permit the Premises or any part thereof to be used in violation of any federal, state, county or municipal law, regulation, or ordinance, and Lessee shall at all times maintain an orderly business operation with emphasis on cleanliness and safety.

5. Condition of Premises; Maintenance. Lessee acknowledges that it has inspected the Premises, is fully familiar with them and accepts them AS IS, in their present condition and without warranties of any kind by Lessor, whether express or implied. Lessor shall have no obligation to maintain or repair the Premises or any part thereof whatsoever, it being expressly understood that Lessee, at its sole expense: shall keep them in a neat and clean condition and in compliance with applicable laws, paying all governmental fees due with respect thereto; shall at all times keep and maintain the Premises and all appurtenances thereto in good order, repair and condition, both interior and exterior, structural and nonstructural; shall allow no nuisances to exist or be

maintained therein; shall repair all cracked or broken glass; and keep the sidewalks and driveway in and about the Premises free from ice, snow and other obstructions. Lessee shall not commit waste or permit waste to be committed on or to the Premises. Upon termination of the Lease, Lessee shall return and surrender the Premises, and all keys thereto, in good order, repair and condition.

6. Alterations and Improvements. Lessee shall not make any alterations, additions or improvements in or to the Premises without first providing Lessor with the plans and specifications therefor and obtaining the written consent of Lessor thereto. All such alterations, additions and improvements consented to by Lessor shall be made at Lessee's expense. Lessee shall secure any and all governmental permits required in connection with any such work, keep the Premises free from liens, and shall indemnify and hold Lessor harmless from any and all liability, claims and losses resulting therefrom. All alterations, additions and improvements to the Premises, except trade fixtures, shall immediately become the property of Lessor without obligation to pay therefor. Lessee shall, prior to the surrender of the Premises to Lessor, remove all trade fixtures and shall restore the Premises to the same condition that they were in prior to the installation of said items.

7. Taxes. Lessee shall pay before delinquency all real and personal property taxes and assessments on the Premises and on all property and inventory which it maintains on or attaches to the Premises. If taxes or assessments are billed to Lessor, then Lessee shall make such payments to Lessor not less than five (5) days prior to the date on which such must be paid by Lessor, whether annually, semi-annually or monthly. Any payment of taxes to be made pursuant to this paragraph in the years in which this Lease commences and terminates shall be prorated. Lessee may, at its sole cost and expense, in its own name and/or in the name of Lessor, dispute and contest any "taxes" by appropriate proceedings diligently conducted in good faith, but only after Lessee has deposited with Lessor the amount so contested and unpaid which shall be held by Lessor without obligation for interest until the termination of the proceedings, at which time the amount(s) deposited shall be applied by Lessor toward the payment of the items held valid (plus any court costs, interest, penalties, and other liabilities associated with the proceedings), and any excess shall be returned to Lessee. Lessee further agrees to pay to Lessor upon demand all court costs, interest, penalties, and other liabilities relating to such proceedings. Lessee hereby indemnifies and agrees to hold harmless the Lessor from and against any cost, damage or expense (including attorneys' fees) in connection with any such proceedings.

8. Utilities. Lessee shall pay when due for all electricity, garbage, water, sewer, telephone, gas, oil and other utilities furnished to or consumed on the Premises during the term hereof.

9. Indemnification. Lessor shall not be liable to Lessee or to any person, firm, or corporation for any injury to or death of any person, or for any loss of or damage to property (including property of Lessee) occurring in or about the Premises from any cause during the term of this Lease, except for Lessor's acts. Lessee agrees to indemnify and save the Premises, Lessor, and Lessor's agents and employees harmless from all loss, damage, liability or expense (including expense of litigation) arising out or resulting from any actual or alleged injury to or death of any persons, or from any actual or alleged loss of or damage to property caused by or resulting from any occurrence on or about the Premises, or caused by or resulting from any act or omission, whether negligent or otherwise, of Lessee, or any officer, agent, employee, contractor, guest, invitee, customer or visitor of Lessee, in or about the Premises or caused by or resulting from the Premises becoming out of repair, from leakage of gas, oil, water or steam or by electricity emanating from the Premises, or from any cause whatsoever. Lessee shall, at its own expense, maintain at all times during the lease term proper liability insurance with a reputable insurance company or companies satisfactory to Lessor in the minimum combined single limit of \$1,000,000 for bodily injury and/or property damage, to indemnify both Lessor and Lessee against claims, demands, losses, damages, liabilities and expense as against which Lessee has herein agreed to indemnify and hold Lessor harmless. Such policy or policies shall name Lessor as one of the insureds, and shall be noncancellable as to Lessor except upon at least thirty (30) days' prior written notice given to Lessor. Lessee shall furnish Lessor with a copy of said policy or policies or other acceptable evidence that said insurance is in effect.

10. Fire or Other Casualty.

a. No loss or damage by fire or other casualty, resulting in either partial or total destruction of the building or improvements on the Premises, shall operate to terminate this Lease, or to relieve or discharge Lessee from the payment of rents or amounts collectible as rent as they become due and payable, or from the performance and fulfillment of any of Lessee's obligations and undertakings herein.

b. If the building or improvements on the Premises or any part thereof are at any time or times during

the continuance of this Lease damaged or destroyed by fire or other casualty, Lessee, with all reasonable diligence, shall repair, reconstruct or replace such buildings or improvements upon the same general plans and dimensions as before the occurrence of each fire or other casualty. All such repair, reconstruction or replacement shall be at the sole cost and expense of Lessee, and, upon the completion thereof, shall be free and clear of all liens and encumbrances of any nature whatsoever, including mechanics' liens.

11. Fire and Extended Coverage Insurance.

a. Lessee shall, at its sole expense, obtain and keep in force at all times during the term hereof, fire and extended coverage insurance on the buildings and improvements on the Premises. The amount of such insurance shall not be less than ninety percent (90%) of the fair market value of such buildings and improvements except that this requirement will be deemed satisfied by a letter from the insurance carrier certifying that any such property is insured to its full insurable value.

b. All insurance required under terms of this paragraph and all renewals thereof shall be issued by companies approved by Lessor and any mortgagee now or hereafter holding a mortgage or other security interest in the Premises (the "Lender"), shall be endorsed with a standard mortgagee rider and shall be payable to Lessor, Lender and Lessee as their interests may appear. Any loss adjustment shall require the joint written consent of Lessor, Lender and Lessee. All policies shall be subject to approval by Lessor and Lender as to form and substance and shall expressly provide that such policies shall not be cancelled, terminated or altered without thirty (30) days' prior written notice to Lessor and Lender. Upon the issuance thereof, each such policy or a duplicate or certificate thereof shall be delivered to Lessor and Lender. Evidence of policy renewals, together with proof of premium payment, shall be furnished to Lessor and Lender thirty (30) days prior to the expiration of the policy term.

c. All amounts that are received under any insurance policy mentioned or described in subparagraph 11.a shall be immediately paid to Lessee for payment of the cost of repair, reconstruction or replacement of the buildings and improvements as herein required. If the insurance proceeds are insufficient to cover the cost of repairing, reconstructing or replacing the buildings and improvements as herein required, Lessee shall promptly pay the deficiency.



12. Assignment or Sublease. Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor which shall not be unreasonably withheld if the proposed assignee or sublessee is of sufficient financial strength. If Lessor consents to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without Lessor's consent. No such assignment or sublease shall relieve Lessee from its liability hereunder.

13. Access. Lessee will allow Lessor free access to the Premises at all times for the purpose of access for all purposes to and from Lessor's property described in Exhibit B hereto. Lessee will allow Lessor free access to the Premises at all reasonable times for the purposes of inspection, of showing the Premises to prospective tenants, and of making repairs, additions, or alterations to the Premises, or any other property owned by or under the control of Lessor, but this right shall not be construed as an agreement or duty on the part of Lessor to make any such inspections, repairs, additions, or alterations.

14. Eminent Domain. If the whole of the Premises shall be taken by any public or governmental authority under the power of eminent domain, then this Lease shall terminate as of the date possession is taken by such authority and the rent shall be paid up to that date. If only a part of the Premises is taken and the remainder not so taken remains tenantable for the purposes for which Lessee has been using the Premises, then this Lease shall continue in full force and effect as to the remainder of said Premises and all of the terms herein provided shall continue in effect, except that the rental shall be reduced equitably, and Lessor, at its expense, shall make all necessary repairs and alterations to the Premises required by such taking to the extent of awarded damages. All damages awarded for such taking shall belong to and be the property of Lessor whether such damage shall be awarded as compensation for diminution in the value of the leasehold or to the fee of the Premises. The term "eminent domain" as used in this paragraph shall include the exercise of any similar governmental power and any purchase, transfer or other acquisition in lieu thereof.

15. Advertising, Signs. Lessee shall not erect, post, install or place any signs in or about the Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld.

16. Insolvency. If Lessee becomes insolvent, files a petition, or is the subject of a petition filed, under any chapter of the federal bankruptcy laws or comparable state law, makes an assignment for the benefit of creditors, or if a receiver, assignee or liquidating officer is appointed for the business of Lessee, then Lessor may cancel this Lease upon three (3) days' notice.

17. Default. Time is of the essence of this Lease. If any rent or other payments due from Lessee hereunder remain unpaid for more than ten (10) days after the date due and payable, or if Lessee violates or breaches any of the other covenants, agreements, stipulations or conditions herein, and Lessee shall not commence and diligently and continuously prosecute the cure of such violations and breaches within thirty (30) days after written notice of such violation or breach, or Lessee shall be in default under any of the Sales Agreement, the Other Leases, the Lease Assignments, the Note, the Security Agreement, or the Fleet Mortgage, then Lessor may, at its option (i) continue this Lease and enforce its rights and remedies hereunder, including Lessee's rental and other payment obligations; or (ii) declare this Lease forfeited and the term hereof ended, and re-enter the Premises and take possession thereof. Notwithstanding any such termination, the liability of Lessee for the rent and other charges provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee covenants and agrees to make good to Lessor any deficiency arising from a re-entry and reletting of the Premises at a lesser rental than herein agreed to, as well as for all other damages and expenses resulting from its default, including the reasonable costs and commissions incurred in such reletting and the reasonable costs of converting the Premises for the next tenant. Delinquent rental and other payments shall bear interest from the date due until paid at the highest rate allowed by law, but in any event not in excess of the rate charged from time to time by Rainier National Bank, Seattle, Washington, to its most credit-worthy customer on 90-day loans, plus two percent (2%) per annum. In the event of an entry in, or taking possession of, the Premises as aforesaid, Lessor shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by Lessor, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Lessee to Lessor under any of the terms

hereof, the balance, if any, to be paid to Lessee. Lessor shall be entitled to enforce one or more of the foregoing remedies either successively or concurrently, and pursuit of one or more remedies shall not estop or prevent Lessor from pursuing any further remedy which it may have hereunder or by law.

18. Attorney's Fees. If Lessor retains an attorney or commences any action to enforce any of the provisions and/or rights under the terms of this Lease, Lessee covenants to pay Lessor all costs and expenses, including reasonable attorney's fees, incurred by Lessor in enforcing and/or protecting its rights, which costs and expenses shall be included in any judgment entered in such action.

19. Advances by Lessor for Lessee. If Lessee fails to do anything required to be done by it under the terms of this Lease, Lessor may, at its option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Lessor, Lessee shall promptly pay Lessor the amount of that cost, plus interest at the highest rate allowed by law, but in any event not in excess of the rate charged from time to time by Rainier National Bank, Seattle, Washington, to its most credit-worthy customer on 90-day loans, plus two percent (2%) per annum from the date that the cost was incurred by Lessor to the date of Lessee's payment.

20. Waiver. Neither the acceptance of rental nor any other act, forbearance, or omission of Lessor at any time or times after the happening of any breach or default by Lessee hereunder, shall operate as a waiver of any other past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Lessor of its right to cancel or forfeit this Lease due to any other such violation, breach, or failure, or be construed so as to at any future time estop Lessor from promptly exercising any option, right or remedy that it may have under any term or provision of this Lease.

21. Quiet Enjoyment. Upon fully complying with and promptly performing all the terms, covenants and conditions required of it under terms of this Lease, Lessee shall have and quietly enjoy the Premises during the term of this Lease.

22. Notices. All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail, return receipt requested, to Lessor at 200 S.W. Michigan Street, Seattle, Washington 98106, and to Lessee at P.O. Box 3764, Seattle, Washington 98124, or to such other respective addresses as either party hereto may hereafter from

time to time designate in writing. Notices sent by mail shall be deemed received three (3) days after postmark or upon actual receipt, whichever first occurs. Lessor agrees that it shall execute a memorandum of this Lease in recordable form and deliver the same to Lessee for recording.

23. Holding Over. If Lessee remains in possession of the Premises after the expiration or termination of this Lease, without a written lease, it shall be deemed to be occupying and using the same as a tenant from month-to-month, subject to all the conditions, provisions and obligations of this Lease insofar as they may be applicable to such month-to-month tenancy, except that the monthly rental shall be one and one-half (1-1/2) times the monthly rental in effect on the termination date, computed on a daily basis for each day of the holdover period. Nothing herein shall constitute consent by Lessor for Lessee to hold over.

24. Successors and Assigns. Subject to the provisions hereof pertaining to assignment and subletting, the covenants and agreements of this Lease shall be binding upon the successors and assigns of the parties hereto.

25. Subordination; Attornment. Lessee accepts this Lease subject and subordinate to any mortgage(s) and deed(s) of trust now or at any time hereafter constituting a lien or charge upon the premises or any portion thereof; provided that any mortgage or deed of trust hereafter granted shall provide that Lessee, if not in default hereunder, shall have and quietly enjoy the Premises during the term of this Lease. Lessee covenants that, if by reason of a default in an underlying mortgage or deed of trust, Lessor's interest in the Premises is terminated, Lessee will attorn to the transferee of Lessor's interest and will recognize such transferee, or such transferee's transferee as Lessor under this Lease. Lessee agrees to execute and deliver, upon the request of such transferee, any instrument which may be required to evidence such subordination and attornment.

26. Survival. All obligations of Lessee hereunder shall survive the expiration or earlier termination of this Lease to the extent not then fully performed, including without limitation all payment obligations with respect to taxes, utilities, and insurance and all obligations concerning the condition of the Premises. Upon the expiration or earlier termination hereof, and prior to vacating the Premises, Lessee shall pay Lessor any amounts reasonably estimated by Lessor as necessary to put the Premises into good condition and repair and the amount of Lessee's obligation hereunder for taxes, utility payments, and insurance premiums for the year in which

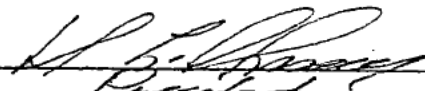
the lease expires or terminates. All such amounts shall be used and held by Lessor for said purposes. Lessor shall be paid on demand any additional costs therefor and shall be paid any excess after all such obligations and any other obligations of Lessee to Lessor have been satisfied.

27. Severability. If any term or provision of this Lease, or the applicability thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Lease, and the application of such term or provision to persons, circumstances, or extents other than those as to which it is held invalid or unenforceable, shall not be affected thereby and shall continue in full force and effect.

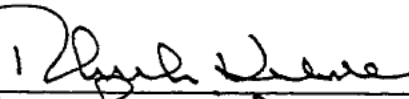
28. Entire Agreement. This Lease contains the entire agreement between the parties with respect to the subject matter hereof and may not be altered, supplemented, or amended except by an instrument in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year first above written.

McEACHERN CORPORATION

By   
Its President

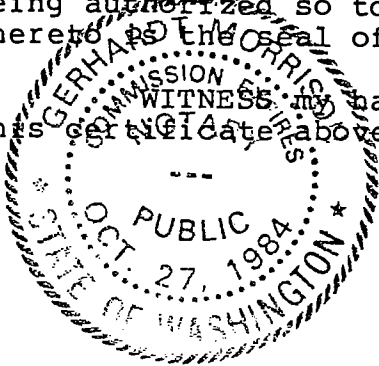
WRIGHT SCHUCHART, INC.

By   
Its President

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF KING )

On this 3 day of February, 1981, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared D.L. Cheney to me known to be the President of McEachern Corporation, the corporation named in and which executed the foregoing instrument; and he acknowledged to me that he signed the same as the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, being authorized so to do, and that the corporate seal affixed thereto is the seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate above written.

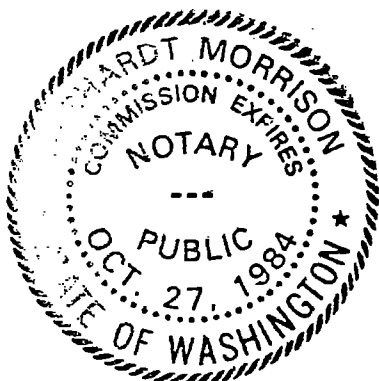


Gerhard Morrison  
Notary Public in and for the State  
of Washington, residing at Seattle

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF KING )

On this 3 day of February, 1981, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Robert Helmer to me known to be the Pres. of Wright Schuchart, Inc., the corporation named in and which executed the foregoing instrument; and he acknowledged to me that he signed the same as the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, being authorized so to do, and that the corporate seal affixed thereto is the seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate above written.



Gerhard Morrison  
Notary Public in and for the State  
of Washington, residing at Seattle

EXHIBIT A

The Premises

PARCEL I: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning on the North line of Block C, SPRINGVILLE, now vacated, with the intersection of the Northeasterly line of the Spokane, Portland & Seattle Railway right of way; thence North 52° East 292.9 feet; thence North 38° 46' West 70 feet; thence South 52° West 300.7 feet; thence South 45° 06' East 70.53 feet to the place of beginning.

PARCEL II: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at the Southeasterly corner of the tract of land conveyed to Portland Manufacturing Company by deed recorded April 8, 1936 in Book 332 page 556, Deed Records, said point also being on the Northerly line of the tract of land conveyed to (b) (6) by deed recorded May 24, 1921 in Book 853 page 8, Deed Records; thence South 52° West along the Northerly line of said Jacobsen tract 289 feet to the Northeasterly line of the Northern Pacific Railroad right of way also referred to as the Spokane Portland & Seattle Railway right of way; thence Northwesterly along said Northeasterly right of way line to its intersection with the Easterly extension of the Southeasterly line of Ferry Street, said point also being the Southwest corner of the tract of land conveyed to Multnomah County by deed recorded July 12, 1912 in Book 586 page 347, Deed Records; thence North 52° East 292.9 feet to the low water mark of the Willamette River; thence Southeasterly along said low water mark to the place of beginning; SUBJECT TO any rights of the public in and to the portion thereof within the public square, now vacated, as shown on the plat of Springville recorded in Book G, page 255, Deed Records.

PARCEL III: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:



Beginning at a point on the Northeasterly line of the Spokane, Portland & Seattle Railway right of way which is North 38° West 3.94 feet from the Southeasterly line of Lot 2, Block 3, on the plat of Springville, recorded in Book G, page 255, Deed Records; thence Northwesterly along said Northeasterly right of way line 751.17 feet to a point which is North 38° West 753.94 feet from the Southeast corner of the aforesaid Lot 2; thence North 52° East parallel with the Southeasterly line of said Lot 2, a distance of 289 feet to the harbor line of the Willamette River; thence South 48° 13' 44" East along said harbor line 762.10 feet to a point which is North 52° East from the point of beginning; thence South 52° West 401.77 feet to the place of beginning; EXCEPTING therefrom the portion thereof within NW Front Avenue, as presently established and located and FURTHER EXCEPTING the tract of land conveyed to Multnomah County by deed recorded September 16, 1929 in Book 29 page 28, Deed Records, and being described as follows:

Beginning at a point on the harbor line of the Willamette River which is 80 feet Northerly from, when measured at right angles to the center line of N. Philadelphia Avenue, extended Westerly, said point also being 204 feet Southerly from the Northeast corner of Parcel IV as above described; thence Westerly parallel with the extended center line of said street 100 feet; thence Southerly at right angles 30 feet; thence Westerly parallel with the extended center line of said street, 205 feet to a point on the Northeasterly right of way line of the Spokane, Portland and Seattle Railway which is 50 feet Northerly from, when measured at right angles to, said extended street center line; thence Southerly along said right of way line to a point which is 50 feet Southerly from, when measured at right angles to, said extended street center line; thence Easterly parallel with the Westerly extension of the center line of N. Philadelphia Avenue 194 feet; thence Southerly at right angles 30 feet; thence Easterly, parallel with said extended street center line 140 feet to a point on the harbor line which is 80 feet Southerly from, when measured at right angles to, said extended street center line; thence Northerly along said harbor line 164.9 feet to the place of beginning.

ALSO the following described tracts of land:

(a) All of the Southeasterly 30 feet of the Northwesterly 46.06 feet of Lots 2 and 9, Block 3, SPRINGVILLE, now vacated, lying Southwesterly of the Northeasterly line of the Spokane, Portland & Seattle Railway right of way, EXCEPTING therefrom the portion thereof within said railroad right of way.

(b) A tract of land beginning at the Southwesterly line of the Spokane, Portland & Seattle Railway right of way North 38° West 33.94 feet from the Southeasterly line of Lot 2, Block 3, SPRINGVILLE; thence Northwesterly along said right of way line 16.06 feet to a point distant North 38° West 50 feet from the Southeast line of Lot 2, Block 3, SPRINGVILLE; thence South 52° West 125 feet, more or less, along a line distant North 38° West 50 feet and parallel with the Southeasterly line of Lots 2 and 9, Block 3, SPRINGVILLE, to the Northeasterly line of St. Helens Road (as existed in 1952); thence Southeasterly 16.06 feet, more or less, along said Northeasterly line to an intersection of said Northeast line with line North 38° West 33.94 feet from the Southeasterly line of Lots 2 and 9, Block 3, SPRINGVILLE, extended Southwesterly; thence North 52° East 125 feet, more or less, to the point of beginning.

EXCEPT FROM ABOVE TRACTS A & B that portion acquired by the State of Oregon by and through its State Highway Commission, Circuit Court Case No. 282435, Multnomah County, Oregon.

PARCEL IV: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at the Southwest corner of the tract of land conveyed to Multnomah County by deed recorded September 27, 1929 in Book 31, page 288, Deed Records, said point lying in the Northeasterly line of NW St. Helens Road (as existed in 1952) 142 feet Southeasterly measured along the said road line, from its intersection with the Northerly line, extended Westerly of Lots 3 and 8, Block 1, SPRINGVILLE, now vacated, said line also being the Northerly line of Tax Lot 10 as shown by the 1940 Tax Roll; thence Southeasterly along the Northeasterly line of NW St. Helens Road (as existed in 1952) to its intersection with the Southeasterly line of the tract of land conveyed to (b)(6) by deed recorded November 5, 1929 in Book 39 page 403, Deed Records, said line being parallel with and North 38° West 33.94 feet from the Southeasterly line, and its Southwesterly extension of Lots 2 and 9, Block 3, SPRINGVILLE; thence North 52° East along the Southeasterly line of said Jacobsen tract 125 feet, more or less, to the Southwesterly line of the Spokane, Portland & Seattle Railway right of way; thence Northwesterly along said right of way line to the Southeasterly line of the above described Multnomah County tract; thence South 55° 48' West along said Southeasterly line 134 feet, more or less, to the place of beginning.

EXCEPT a tract of land beginning at the Southwesterly line of the Spokane, Portland & Seattle Railway right of way North 38° West 33.94 feet from the Southeasterly line of Lot 2, Block 3, SPRINGVILLE; thence Northwesterly along said right of way line 16.06 feet to a point distant North 38° West 50 feet from the Southeast line of Lot 2, Block 3, SPRINGVILLE; thence South 52° West 125 feet, more or less, along a line distant North 38° West 50 feet and parallel with the Southeasterly line of Lots 2 and 9, Block 3, SPRINGVILLE, to the Northeasterly line of St. Helens Road (as existed in 1952); thence Southeasterly 16.06 feet, more or less, along said Northeasterly line to an intersection of said Northeast line with line North 38° West 33.94 feet from the Southeasterly line of Lots 2 and 9, Block 3, SPRINGVILLE extended Southwesterly; thence North 52° East 125 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion acquired by the State of Oregon by and through its State Highway Commission, Circuit Court Case No. 282435, Multnomah County, Oregon.

PARCEL V: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at the intersection of the Northwesterly line and its Southwesterly extension of Lots 3 and 8, Block 1, SPRINGVILLE, now vacated, said line also being the Northerly line of Tax Lot 10 as shown by the 1940 Tax Roll, with the Northeasterly line of NW St. Helens Road (as existed in 1952); thence Southeasterly along said Northeasterly road line 26.6 feet to the Northwest corner of the tract of land conveyed to Multnomah County by deed recorded September 27, 1929 in Book 31 page 288, Deed Records; thence North 55° 48' East along the Northwesterly line of said tract 128 feet, more or less, to the Southwesterly line of the Spokane, Portland & Seattle Railway right of way; thence Northwesterly along said Southwesterly right of way line to the Northwesterly line of the aforesaid Lot 3, Block 1, SPRINGVILLE; thence Southwesterly along said Northwesterly line and its Southwesterly extension of Lots 3 and 8, Block 1, SPRINGVILLE, now vacated, to the place of beginning. EXCEPTING THEREFROM that portion acquired by the State of Oregon, by and through its State Highway Commission, Circuit Court Case No. 282435, Multnomah County, Oregon.

PARCEL VI: A tract of land in Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon, described as follows:

Beginning at the intersection of the Southeasterly line of Lot 2, Block 1, SPRINGVILLE, now vacated, with the Southwesterly line of the Spokane, Portland & Seattle Railway right of way; thence Northwesterly along said right of way line to the Northwesterly line of Block C, Springville, now vacated; thence Southwesterly along said Northwesterly block line and its Southwesterly extension to the Northeasterly line of NW St. Helens Road (as existed in 1952); thence Southeasterly along said Northeasterly road line to its intersection with the Southwesterly extension of the Southeasterly line of Lot 9, Block 1, SPRINGVILLE, now vacated; thence Northeasterly to the point of beginning; TOGETHER with the right to use the roadway under the West end of the St. Johns Bridge.

EXCEPTING THEREFROM that portion acquired by the State of Oregon, by and through its State Highway Commission, Circuit Court Case No. 282435, Multnomah County, Oregon.

PARCEL VII: The following described property in Section 10, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, Multnomah County, Oregon:

Beginning at a point 7 chains and 20 links South of the Northwest corner on the West line of the D.L.C. of (b) (6)  
(b) (6) Notification No. 6000, Claim No. 46 in Township 1 North, Range 1 West of the Willamette Meridian; thence South  $38^{\circ}$  East 3 chains to a point; thence North  $60^{\circ}$  East 10 chains and 53 links to a point; thence North  $38^{\circ}$  West 3 chains to a point, 7 chains and 20 links South of the North line of said claim; thence South  $60^{\circ}$  West 10 chains and 53 links to the place of beginning; EXCEPTING, however, the part of said tract lying West of NW Skyline Boulevard, as now located; SUBJECT to the rights of the public in and to that portion of said property lying within the limits of NW Skyline Boulevard.

EXHIBIT B

Lessor's Property  
Adjacent to Premises

A tract of land situated in the Northeast quarter of Section 11, Township 1 North, Range 1 West of the Willamette Meridian, in Multnomah County, Oregon, described as follows:

Commencing at a brass cap set at the intersection of the North line of the W.W. Baker D.L.C. and the Northeasterly right of way line of the S.P. & S. Railroad (said right of way is 60.00 feet); thence South  $40^{\circ} 42' 25''$  East along said right of way a distance of 39.79 feet to a point of tangent curve; thence along the arc of an 11,429.16 foot radius curve to the left, through a central angle of  $2^{\circ} 39' 43''$ , an arc distance of 531.00 feet (the long chord bears South  $42^{\circ} 02' 17''$  East a distance of 530.95 feet) to the point of beginning of the tract herein to be described; thence North  $53^{\circ} 19' 15''$  East a distance of 382.01 feet to the Willamette River Harbor Line; thence along said Harbor Line South  $38^{\circ} 15' 31''$  East, a distance of 616.77 feet to a point on the North line of a tract of land conveyed Multnomah County in Deed recorded July 12, 1912 in Book 586 page 347, Deed Records; thence South  $53^{\circ} 19' 15''$  West along the North line of said Multnomah County tract a distance of 324.43 feet to a point in said Northeasterly right of way of the S.P. & S. Railroad; thence North  $43^{\circ} 35' 05''$  West along said right of way 577.97 feet to a point of tangent curve; thence along the arc of an 11,429.16 foot radius curve, through a central angle of  $0^{\circ} 12' 57''$ , an arc distance of 43.05 feet (the long chord bears North  $43^{\circ} 28' 37''$  West, a distance of 43.05 feet) to the point of beginning; SUBJECT TO AND TOGETHER WITH a non-exclusive easement to build and maintain a road for access purposes over that portion of a strip of land 25 feet wide lying Southeasterly of the Northwest line of the above described tract, said 25 foot wide strip being described in its entirety as follows: Beginning at a point on the Northeasterly line of the S.P. & S. Railroad Co. 100 foot right of way which is North  $40^{\circ} 42' 25''$  West 10.89 feet from the intersection of said Northeasterly right of way line with the Northerly line of the W.W. Baker D.L.C.; thence South  $40^{\circ} 42' 25''$  East 10.89 feet to said intersection; thence South  $11^{\circ}$  East 40.35 feet to an iron rod on the Northeasterly line of the S.P. & S. Railroad Co. 60 foot right of way, said iron pipe being South  $40^{\circ} 42' 25''$  East

39.79 feet from the Northerly line of the W.W. Baker D.L.C.; thence along said Northeasterly line of the 60 foot railroad right of way, along the arc of an 11,429.16 foot radius curve to the left, the chord of which bears South 42° 08' 45" East, an arc distance of 574.05 feet to an iron rod; thence continuing along said Northeasterly line of the 60 foot railroad right of way, South 43° 35' 05" East 647.97 feet to the Northerly line of Block C, SPRINGVILLE, being the Southerly line of what was formerly part of NW Ferry Street; thence North 53° 19' 15" East along said Southerly line of Old NW Ferry Street to a point which bears North 46° 24' 55" East 25 feet from, at right angles to, said railroad right of way; thence Northwesterly along a line parallel with and 25 feet Northeasterly from when measured at right angles to, the Northeasterly right of way line of the S.P. & S. Railroad Co. 60 foot right of way, a distance of 1224 feet, more or less, to a point which bears North 48° 17' 35" East 25 feet from the iron rod first designated above, (said iron rod being on the Northeasterly) line of the S.P. & S. Railroad Co. 60 foot right of way at a point which is South 40° 42' 25" East 39.79 feet from the Northerly line of the W.W. Baker D.L.C.); thence North 11° West 40.35 feet to a point which bears North 48° 17' 35" East 25 feet from the intersection of the Northerly line of the W.W. Baker D.L.C. with the Northeasterly line of the S.P. & S. Railroad Co. 100 foot right of way; thence North 40° 42' 25" West 5.0 feet, more or less, to a point which bears North 62° 37' 35" East from the point of beginning; thence South 62° 37' 35" West 26 feet, more or less, to the point of beginning; RESERVING, HOWEVER, a non-exclusive easement to build and maintain a road for access purposes over that portion of the above described 25 foot wide strip lying in what was formerly NW Ferry Street.





AGREEMENT  
FOR  
SALE AND PURCHASE OF ASSETS

This is an AGREEMENT made this 3rd day of February, 1981, between GENERAL CONSTRUCTION COMPANY ("GCC") and WRIGHT SCHUCHART, INC. ("WSI") with reference to the following facts.

A. GCC owns and operates under its name a heavy construction business in the several western United States;

B. WSI wishes to acquire the assets used by GCC in that business, including its name, for the purpose of engaging in a heavy construction business.

1. SALE AND PURCHASE OF EQUIPMENT

1.01 Sale of Equipment: GCC hereby sells to WSI and WSI hereby purchases from GCC, GCC's marine division assets (the "Assets") including:

(a) The items of equipment listed on the Appraisal Schedule attached as Exhibit A, excepting therefrom items identified as leased or sold, Whirley Crane (Model 28-135), and items sold with the approval of WSI since the date of this Agreement:

(b) Hand tools and supplies of fuel, oil and mined rock;

(c) Office equipment located at:

(1) GCC's Yard 1, 3840 West Marginal Way S.W., Seattle, Washington.

(2) GCC's Portland Yard, St. Helens Road & St. John's Bridge in Portland, Oregon; and

(3) GCC's Lessee's interest in yards at Port Angeles, Port Townsend, Tacoma and Longview in Washington (the "Leased Yards").

(d) The Leasehold Improvements at the Leased Yards.

(e) GCC's right, title and interest in the name "General Construction Company" and the logo "GCC", subject to the perpetual license of General Construction Company of Hawaii, Inc., to use the name and logo in the state of Hawaii and the license of John A. Beyer, or his assigns, to use a name that may be deemed deceptively similar in the state of Montana for a period of five years commencing May 24, 1980.

(f) At the completion of its contracts in process, GCC's contracting licenses, to the extent assignable, in every state it has a license except Washington, Hawaii, Alaska, Oregon and Montana, in which states GCC may continue to do a dredging business.

1.02 Terms of the Sale: Except for warranties of title, GCC is selling the Assets on an "AS IS, WHERE IS" basis, WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY OR ALL WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

## 2. CONSIDERATION

2.01 Cash Price: The total cash portion of the purchase price is Five Million Eight Hundred Twenty Thousand

Dollars (\$5,820,000) of which One Million Dollars (\$1,000,000) shall be paid by WSI to GCC at Closing in funds current and available in Seattle. The balance of the cash portion of the purchase price shall be payable in funds current and available in Seattle in twenty-four (24) quarterly installments on May 1, August 1, November 1 and February 1 of each year, the first installment of which shall be interest only, the second installment of which shall equal One Hundred Seventy Thousand Dollars (\$170,000) plus interest, the next eighteen (18) of which shall equal One Hundred Seventy-Five Thousand Dollars (\$175,000) each plus interest and the last four (4) of which shall be Three Hundred Seventy-Five Thousand Dollars (\$375,000) each plus interest. The unpaid balance of the cash purchase price shall bear interest at the rate of twelve percent (12%) per annum, shall be evidenced by and shall be payable in accordance with the terms of a promissory note in the form of Exhibit B attached hereto (the "Note").

2.02 Other Consideration: The noncash portion of the purchase price is:

(a) WSI's assumption and timely performance of GCC's obligations under the equipment leases attached hereto as Exhibit C1 (the "Equipment Leases");

(b) WSI's assumption and timely performance of GCC's obligations under the leases for the Leased Yards attached hereto as Exhibit C 2;

(c) WSI's timely performance of its obligations under the Real Property Leases described in section 9 below;

(d) WSI's timely performance of its obligations or GCC's obligations under construction contracts described in section 10 below; and

(e) A credit of Fifty Thousand Dollars (\$50,000) against amounts first due and payable by GCC to WSI for equipment supplied by WSI in completing GCC's construction contracts in progress under section 10 below. Upon completion of the jobs, if the credit has not been exhausted WSI shall pay to GCC the remainder in cash.

3. SECURITY:

3.01 Security Instruments: To secure the full and timely payment and performance of the consideration described in section 2, above, and WSI's obligations under the rest of this Agreement, GCC reserves a purchase money security interest in all of the Assets except each item of equipment with a fair market value of less than Thirty Thousand Dollars (\$30,000) as listed on Exhibit A, the lessee's interest in the leases assumed, and any and all additions, accessions, and increases thereto and proceeds from the sale thereof, as evidenced by the security agreements in the form attached hereto as Exhibit D, the Preferred Fleet Ship Mortgage in the form attached as Exhibit E, and the Assignment of Leases for Security Purposes attached as Exhibit F, all of which security instruments shall be executed by WSI and delivered to GCC at Closing.

4. CLOSING: The Closing shall take place at the offices of Bogle & Gates, 2100 Bank of California Center, Seattle, Washington 98164 at the hour of 2:00 p.m. on February 2, 1981, or as soon thereafter as the conditions set forth in sections 11 and 12 below can be met. If said conditions cannot be met through no fault of either party by February 28, 1981, then this Agreement shall terminate and be of no further force or effect. Title to, possession of and risk of loss with respect to the Assets shall pass to WSI on the Closing date.

5. TRANSFER TAXES: Any transfer, sales or use tax payable upon or with respect to the sale of the Assets shall be paid by WSI and it will hold GCC harmless for any loss suffered by GCC as a result of its not collecting the same from WSI.

6. APPORTIONMENT OF PERSONAL PROPERTY TAXES: All applicable personal property taxes assessed in 1981 and all credits against business and occupation taxes for such personal property taxes, shall be apportioned between WSI and GCC as of February 2, 1981.

7. REPRESENTATIONS AND WARRANTIES OF GCC: As an inducement to the execution of this Agreement by WSI and to the carrying out of the provisions hereof to be performed by WSI, GCC represents and warrants to WSI that the following statements are true and correct on the date hereof:

7.01 Organization and Standing: GCC is a corporation, duly organized, validly existing and in good

standing under the laws of the State of Washington, has the corporate power to own and dispose of its property and carry on its business as and where it is now being conducted and has the corporate power to enter into this Agreement and the transactions envisioned herein.

7.02 Execution and Performance of Instruments:

The execution and performance by GCC of this Agreement has been duly authorized by its Board of Directors and shareholders and the consummation of the transactions envisioned herein will not violate any provision of, or result in the breach of, or constitute a default under, any law, or any order, writ, injunction or decree of any court, governmental agency or arbitration tribunal, or any instrument by which GCC is bound, and will not violate the Articles of Incorporation or Bylaws of GCC. The consent of no other individual, partnership, association, corporation or other organization is necessary or required for GCC to execute and perform this Agreement and the transactions envisioned herein. At the Closing, GCC shall deliver to WSI a true and correct copy of the resolutions of said Board of Directors and shareholders authorizing such execution and performance and certified by the Secretary or an Assistant Secretary of GCC.

7.03 Properties: GCC has, or at Closing will have, good and marketable title to all the Assets subject to no mortgage, pledge, lien, lease, license or other encumbrance,



except for the lien of current taxes not yet due and payable.

7.04 No Finder: GCC has not engaged or employed any finder or broker in connection with this Agreement or the transactions envisioned herein, and GCC shall indemnify and save WSI harmless from and against all claims and liabilities arising by reason of any individual or entity claiming to have acted in either such capacity for GCC.

8. REPRESENTATIONS AND WARRANTIES OF WSI: As an inducement to the execution of this Agreement by GCC and to the carrying out of the provisions hereof to be performed thereby, WSI hereby represents and warrants to GCC that the following statements are true and correct on the date hereof:

8.01 Organization and Standing: WSI is a corporation, duly organized, validly existing and in good standing under the laws of the State of Washington, has the corporate power to own and dispose of its property and carry on its business as and where it is now being conducted and has the corporate power to enter into this Agreement and the transactions envisioned herein.

8.02 Execution and Performance of Instruments: The execution and performance by WSI of this Agreement has been duly authorized by its Board of Directors, and the consummation of the transactions envisioned herein will not violate any provision of, or result in the breach of, or constitute a default under, any law, or any order, writ, injunction or

decree of any court, governmental agency or arbitration tribunal, or any instrument by which WSI is bound, and will not violate the Articles of Incorporation or Bylaws of WSI. The consent of no other individual, partnership, association, corporation or other organization is necessary or required in order for WSI to execute and perform this Agreement and the transactions envisioned herein. At Closing, WSI shall deliver to the Sellers true and complete copies of the resolutions of said Board of Directors authorizing such execution and performance and certified by the Secretary or an Assistant Secretary of WSI.

8.03 Collateral: WSI will have at Closing good and marketable title to all of the Collateral, subject to no mortgage, pledge, lien, lease, license or other encumbrance created by or through it, except for the lien of current taxes not yet due and payable.

8.04 No Finder: WSI has not engaged or employed any finder or broker in connection with this Agreement or the transactions envisioned herein, and WSI shall indemnify and save GCC harmless from and against all claims and liabilities arising by reason of any individual or entity claiming to have acted in either such capacity for WSI.

9. LEASES OF REAL PROPERTY: GCC will lease to WSI and WSI will lease from GCC the following real property on a basis under which in addition to the rent agreed upon WSI will

pay for the real property taxes, utilities and insurance with respect to such property:

(i) GCC's real property in Portland including that used for its radio antennae but excluding the Northwesterly five (5) acres thereof (the "Portland Yard") for one year with three options to renew for one year each. The rental for the first year will be \$6,791 per month. The rental for each option period will be \$6,791 per month increased or decreased by the percentage difference in the 1980 Revised Consumer Price Index-All Items for All Urban Consumers for Seattle-Everett (the "Index") between the beginning of the lease term and the renewal date. If, after closing, GCC has stored on the portion of the Portland Yard leased to WSI, equipment and dredge pipe not sold hereunder, WSI agrees to move the same to the excluded five (5) acres. The Lease shall be in the form attached hereto as Exhibit G1.

(ii) The portion of GCC's real property on the Duwamish River known as Yard 1 for a monthly rental of \$27,500 for an initial term of five years. WSI will have the option to renew the lease for one additional five-year term. The rental for the option period will equal \$27,500 per month increased or decreased by the percentage difference in the Index from the beginning

of the first five-year term to the renewal date. If during the term or extended term GCC wishes to sell (as contrasted to develop, whether alone or in a joint venture) Yard 1, it will give WSI a right of first refusal with respect to such sale. The Lease and Right of First Refusal shall be in the form of Exhibit G2, attached. During the lease term, both GCC and WSI agree to use their best efforts to effect an income tax-free exchange of Yard I for a parcel of real property developed or to be developed presently owned by WSI or purchased by WSI for the purpose of making the exchange. The parties agree that the exchange shall be made on the basis of the relative fair market values of the properties at the date of the exchange and that GCC will consider in good faith properties or interests therein offered by WSI and WSI will consider in good faith proposals for the purchase or purchase and development of properties selected by GCC.

(iii) The portion of GCC's real property on the Duwamish River known as Yard 2 for a monthly rental of \$12,500 on a month to month basis. The Lease shall be in the form of Exhibit G3 attached.

(iv) GCC's real estate located in Jefferson County known as the Mats Mats Quarry with a right to mine rock for an initial term of five (5) years with

two options to renew for five (5) years each. The lease will terminate earlier, however, if the rock to be mined is exhausted. The rental will be calculated on a royalty basis equal to \$.35 per ton of rock mined for the first five-year term payable on a monthly basis, however, there will be an annual minimum royalty payment for 350,000 tons payable pro rata on a monthly basis. If the minimum payments exceed the royalty otherwise due in one year (a "Minimum Excess") the minimum royalty due for such subsequent years shall be reduced by such Minimum Excess. The royalty due in the option periods shall equal \$.35 per ton increased or decreased by the percentage change in the Index from the beginning of the initial term of the lease to the beginning of the relevant option period. WSI shall mine the rock strictly in accordance with a mining plan developed by GCC and approved by WSI. The lease shall be in the form of Exhibit G4 attached.

(v) Each lease under this section 9 will be a separate instrument, but a default under one lease will constitute a default under all leases and this Agreement.

10. CONDUCT OF GCC'S BUSINESS UNTIL AND AFTER CLOSING.

10.01 Maintenance of Assets and Organization:

Until the Closing date GCC will conduct its construction business (other than that done by its Dredging Division) and

use the Assets only in the ordinary and necessary course. It will continue normal maintenance of the Assets and maintain in full force and effect its existing casualty and liability insurance with respect to such Assets. In the event of an insured casualty loss between the date hereof and Closing, GCC shall be entitled to all of the proceeds of insurance and should the Agreement close as scheduled the cash portion of the purchase price shall be reduced by such proceeds with such reduction allocated proportionately to each of the payments called for. GCC will use its best efforts to maintain its good will, keep its personnel intact and seek new construction contracts.

10.02 Construction Contracts in Progress: All GCC's construction contracts except those listed on Exhibit H (the "Assumed Contracts") will be its primary responsibility and the profit and loss therefrom will be for its account. Nevertheless, using the Assets purchased and GCC's personnel hired by WSI after Closing, WSI, in a workmanlike basis, shall timely complete GCC's construction contracts in progress at Closing. It shall charge to GCC and GCC shall promptly pay to WSI or designated third parties all direct costs incurred by WSI in completing the work on the following basis: (i) WSI shall each month review and deliver to GCC for payment all third party invoices with respect to each contract; (ii) WSI will invoice GCC weekly for the labor and burden attributable



to each contract; and (iii) WSI shall invoice GCC monthly for equipment used in conducting the work on each contract (at the rental rates originally used by GCC in bidding or negotiating the contracts.) In addition to these amounts, GCC shall pay monthly to WSI six percent (6%) of the direct costs described above for each contract (other than the Assumed Contracts) completed plus any excise taxes assessed with respect thereto.

10.03 Assumed Construction Contracts: GCC will assign to WSI its rights under or subcontract each of the Assumed Contracts and WSI will on Closing assume and fully and timely perform in a workmanlike manner all of GCC's obligations under such contracts and WSI will reimburse GCC at closing for its direct costs expended less payments received prior to closing with respect to such contracts. GCC will reimburse WSI for WSI's joint venture share of the amount by which the venture's direct cost (as described in Section 10.02) in completing Job Number 9976, Sitka-Force Main & Outfall, plus six percent (6%) of such cost exceeds the total revenues from said job. WSI shall indemnify and hold GCC harmless from all liability under each Assumed Contract.

10.04 Bidding or Negotiating for New Contracts: Between the date hereof and Closing, if GCC proposes to bid on any project or enter into any negotiation for a contract or enter into a joint venture to make such a bid or negotiate for such a contract, it will first fully inform

WSI about such proposal and WSI shall decide whether GCC should proceed with the proposal. If it does so and a contract is awarded, then GCC shall assign to WSI it or GCC's joint venture interest as the case may be and WSI shall assume such contract in the manner provided in Section 10.03 above. If WSI elects to have GCC bid, it shall provide any bonds necessary to make the bid and be awarded the contract. WSI shall assume all GCC's obligations under the contract or venture agreement and shall indemnify GCC from all liability under the contract, bond, indemnity for the bond and/or venture agreement. If Closing shall not occur, GCC shall indemnify and hold WSI harmless with respect to any bond secured by it pursuant to this subsection.

10.05 Warranty Work: If any third person shall make a warranty claim against GCC, at GCC's request WSI shall do any construction work required to satisfy said claim on the same basis as provided in Section 10.02 above, except that equipment rental rates shall be those currently used by WSI.

11. CONDITIONS TO OBLIGATIONS OF WSI: The obligations of WSI under this Agreement are, subject to the condition, unless waived by WSI, that on and as of Closing:

11.01 Compliance with Agreement: All material terms, covenants and conditions of this Agreement to be complied with and performed by GCC at or before Closing shall have been duly complied with and performed.

11.02 Representation and Warranties True as of Closing: The representations and warranties made by GCC herein shall be true and correct as at the Closing with the same force and effect as though such representations and warranties had been made at the Closing.

11.03 Absence of Changes: Subsequent to the date of this Agreement, the Assets shall not have suffered any material damage as a result of any fire, accident or other casualty.

11.04 Consents to Assignment of Leases: Any consent by Lessors required for GCC to assign its Lessee's interest in the Leased Yards and Equipment Leases shall have been obtained.

11.05 Approval of Mining Plan: WSI shall have received and approved of GCC's initial plan for mining rock at Mats Mats Quarry. WSI shall not, however, unreasonably withhold such approval.

12. CONDITIONS TO OBLIGATIONS OF GCC: The obligations of GCC under this Agreement are subject to the condition, unless waived by GCC, that on and as of Closing:

12.01 Compliance with Agreement: All the terms, covenants and conditions of this Agreement to be complied with and performed by WSI at or before the Closing shall have been duly complied with and performed.

12.02 Representations and Warranties True as of Closing: The representations and warranties made by WSI herein shall be correct as at the Closing with the same force and effect as though such representations and warranties had been made as at the Closing.

12.03 Consents to Assignment of Leases: Any consent by Lessors required for GCC to assign its Lessee's interest in the Leased Yards and Equipment Leases shall have been obtained.

12.04 Approval of Mining Plan and Entering into Leases: WSI shall have approved the initial mining plan for mining rock at Mats Mats Quarry and shall enter into the leases of Real Property as described in Section 9 above.

13. BULK SALES WAIVER: WSI waives compliance by GCC with the applicable provisions, if any, of the Bulk Sales laws of the State of Washington and GCC agrees to indemnify WSI and hold it harmless from any liability incurred by it as a result of GCC's failure so to comply.

14. SURVIVAL OF REPRESENTATIONS: GCC's and WSI's representations and warranties contained in this Agreement shall survive Closing.

15. EXPENSES: GCC and WSI shall each pay its own expenses and fees incurred in connection with this Agreement and the transactions contemplated herein. Nothing in this

Section 15 shall limit the liability of one party to the other for its default in complying with this Agreement.

16. WAIVER AND MODIFICATIONS: By prior written notice to such party, GCC and WSI may as to the other party receiving such notice, (i) extend the time for the performance of any of the obligations or other acts of the notified party or parties, (ii) waive any inaccuracies in the representations of the notified party or parties contained in this Agreement or in any document delivered by such party or parties pursuant to this Agreement, and (iii) waive satisfaction of any of the conditions that the notified party is required in this Agreement to meet and waive performance of any of the obligations of the other party.

17. SUCCESSORS: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party hereunder shall assign any of its obligations hereunder without the prior written consent of the other, except that WSI may assign its rights and obligations hereunder to any subsidiary wholly owned by it so long as WSI remains liable hereunder and unconditionally guaranties said subsidiary's obligations.

18. NOTICES: All notices or instructions under this Agreement shall be in writing and shall be delivered in person or sent by certified or registered mail, return receipt requested, to the party to whom addressed at the address

therefor set forth below (or to such other address as either party may from time to time advise the other in writing) and if so mailed shall be deemed received three (3) days after postmark or upon its actual receipt whichever first occurs:

To WSI: P.O. Box 3764  
Seattle, Washington 98124

With a copy to: Thomas B. Foster, Esq.  
1111 Third Avenue Building  
Seattle, Washington 98101

To GCC: 200 S.W. Michigan Street  
Post Office Box 3845  
Seattle, Washington 98124

With a copy to: Gerhardt Morrison, Esq.  
Bogle & Gates  
Bank of California Center  
Seattle, Washington 98164

19. ENTIRE AGREEMENT: This Agreement and all other contemporaneously signed instruments constitute the entire Agreement between the parties and may not be modified except by an instrument in writing, signed by all of the parties hereto.

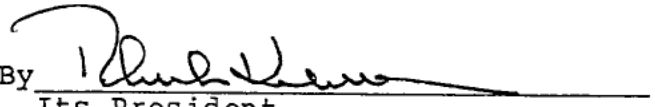
20. GOVERNING LAW: This Agreement shall be governed by the laws of the State of Washington.

21. ATTORNEYS' FEES AND INTEREST: In any suit or action brought to enforce this Agreement, Exhibits attached hereto or any other signed instrument referred to herein or to obtain an adjudication, declaratory or otherwise, of rights hereunder or thereunder, the losing party shall pay to the prevailing party reasonable attorneys' fees and all other costs and expenses which may be incurred by the prevailing party in -- --

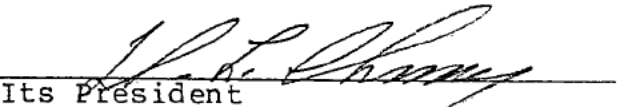


such action. In addition, if either party is held by a court to owe to the other a sum of money, whether as damages, indebtedness, or otherwise for breach of this Agreement, such party shall also owe to and pay the other party interest on such sum from the time of the breach until paid at a rate per annum equal to the rate of interest charged on the date of the breach by Rainier National Bank to its most creditworthy customers on 90-day loans, plus 2 points, but not in any event in excess of the rate permitted under the circumstances by applicable law as then in force in the State of Washington.

WRIGHT SCHUCHART, INC.

By   
Its President

GENERAL CONSTRUCTION COMPANY

By   
Its President



CERTIFIED RESOLUTION OF THE SHAREHOLDERS  
OF GENERAL CONSTRUCTION COMPANY

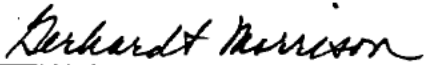
I, Gerhardt Morrison, the Corporate Secretary of General Construction Company, a Washington corporation (the "Company"), hereby certify that at a meeting of the Shareholders of the Company held in Seattle, Washington on February 1, 1981, called upon notice duly given and at which a quorum was present and acting throughout, and at which all the shares entitled to vote were represented, the Shareholders of the Company unanimously adopted the following resolutions:

RESOLVED: That the shareholders of the Company hereby approve the sale of substantially all of the assets of the Marine Division of the Company to Wright Schuchart, Inc. as recommended by the Board of Directors of the Company pursuant to an agreement setting forth terms and conditions substantially similar to the draft Agreement for Sale and Purchase of Assets attached hereto as Exhibit A.

FURTHER RESOLVED: That the Articles of Incorporation of the Company be amended as recommended by the Board of Directors of the Company to change the name of the Company to "MCEACHERN CORPORATION."

I further certify that each of the foregoing resolutions remains in full force and effect and has not been amended, modified, or revoked.

DATED: February 3, 1981.

  
Gerhardt Morrison  
Corporate Secretary

CERTIFIED RESOLUTION OF THE DIRECTORS  
OF GENERAL CONSTRUCTION COMPANY

I, Gerhardt Morrison, the Corporate Secretary of General Construction Company, a Washington corporation (the "Company"), hereby certify that at a meeting of the Board of Directors of the Company, held in Seattle, Washington, on January 26, 1981, called upon notice duly given and at which a quorum was present and acting throughout, the Board of Directors of the Company adopted the following resolutions:

RESOLVED: That the Company sell substantially all of the assets of the Marine Division of the Company to Wright Schuchart, Inc. pursuant to an agreement setting forth terms and conditions substantially similar to the draft Agreement for Sale and Purchase of Assets attached hereto as Exhibit A (the "Sale Agreement"), and that such sale be submitted to the shareholders of the Company at a special meeting for their approval.

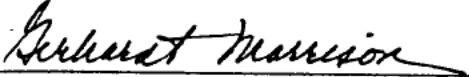
FURTHER RESOLVED: That the officers of the Company and each of them, are hereby authorized and directed to execute for the Company all documents, instruments and agreements necessary to effectuate the sale of substantially all of the assets of the Company, as contemplated in the Sale Agreement.

FURTHER RESOLVED: That, in connection with and as required by such sale of assets, the Articles of Incorporation of the Company be amended to change the name of the Company to "MCEACHERN CORPORATION", and that such amendment be submitted to the shareholders of the Company at a special meeting for their approval.

FURTHER RESOLVED: That upon such approval by the shareholders, the officers of the Company and each of them, are hereby authorized and directed to file Articles of Amendment with the Washington Secretary of State setting forth said amendment.

I further certify that each of the foregoing resolutions remains in full force and effect and has not been amended, modified or revoked.

DATED: February 3, 1981.

  
Gerhardt Morrison  
Corporate Secretary



ARTICLES OF INCORPORATION  
OF  
GENERAL CONSTRUCTION COMPANY

FILED  
FEB 3 1981

SECRETARY OF STATE  
STATE OF WASHINGTON

Helen M. Kinne, a person of the age of eighteen years or more, hereby executes the following Articles of Incorporation, in duplicate, for the purpose of forming a corporation under the Business Corporation Act of the state of Washington:

ARTICLE I

The name of this corporation is GENERAL CONSTRUCTION COMPANY.

ARTICLE II

The period of duration of this corporation shall be perpetual.

ARTICLE III

This corporation is organized for the following purposes:

(a) To transact any and all lawful business for which corporations may be incorporated under the Washington Business Corporation Act.

ARTICLE IV

The aggregate number of shares which the corporation has authority to issue is 50,000 shares, the par value of each of which shares is \$1. The transfer of any share of this corporation shall be subject to restrictions, if any, contained in the corporation bylaws or shareholder agreements.

ARTICLE V

The shareholders of the corporation have no preemptive right to acquire additional shares of this corporation.

ARTICLE VI

The address of the initial registered office of this corporation is 414 Pontius Avenue North, Seattle, Washington 98109, and the name of its initial registered agent



at such address is Richard E. Bangert II.

#### ARTICLE VII

The initial board of directors shall be three in number. The names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors be elected and qualify are:

Robert M. Helsell	414 Pontius Avenue North Seattle, Washington 98109
Richard E. Bangert II	414 Pontius Avenue North Seattle, Washington 98109
C. Larry Walker	414 Pontius Avenue North Seattle, Washington 98109

#### ARTICLE VIII

The board of directors has the power to adopt, amend, or repeal the bylaws of this corporation, subject to the concurrent power of the shareholders to adopt, amend or repeal the bylaws. Any bylaw adopted, amended or repealed by the directors may be repealed, amended or reinstated by an affirmative vote of the holders of a majority of the shares entitled to vote and present, in person or by proxy, at the next meeting of shareholders following such action without further notice than this Article.

#### ARTICLE IX

The name and address of the incorporator is Helen M. Kinne, 34th Floor, 1111 Third Avenue, Seattle, Washington 98101.

#### ARTICLE X

This corporation may enter into contracts and otherwise transact business as vendor, purchaser, or otherwise, with its directors, officers, and shareholders and with corporations, associations, firms, and entities in which they are or may become interested as directors, officers, shareholders, members, or otherwise, as freely as though such interest did not exist, except that no loan shall be made by the corporation to its officers or directors unless first approved by the holders of two-thirds of the voting shares and no loans shall be made by this corporation secured by its shares. In the absence of fraud the

fact that any director, officer, shareholder, or any corporation, association, firm or other entity of which any director, officer, or shareholder is interested, is in any way interested in any transaction or contract shall not make the transaction or contract void or voidable, or require the director, officer, or shareholder to account to this corporation for any profits therefrom if the transaction or contract is or shall be authorized, ratified, or approved by (i) vote of a majority or quorum of the board of directors excluding any interested director or directors, (ii) the written consent of the holders of a majority of the shares entitled to vote, or (iii) a general resolution approving the acts of the directors and officers adopted at a shareholders meeting by vote of the holders of the majority of the shares entitled to vote. Nothing herein contained shall create any liability in the events described or prevent the authorization, ratification or approval of such transactions or contracts in any other manner.

#### ARTICLE XI

This corporation has the power to indemnify, and to purchase and maintain insurance for, its directors, officers, trustees, employees, and other persons and agents against all liability, damage, and expenses arising from or in connection with service for, employment by, or other affiliation with this corporation or other firms or entities to the maximum extent and under all circumstances permitted by law.

#### ARTICLE XII

This corporation shall have the right to purchase its own shares to the extent of unreserved and unrestricted capital surplus available. This corporation may, from time to time, by action of its board of directors, distribute to its shareholders out of capital surplus of the corporation a portion of its assets in cash or property.

#### ARTICLE XIII

The right to cumulate votes in the election of directors shall not exist with respect to shares of stock of this corporation.

Executed in duplicate this 29<sup>th</sup> day of January, 1981.

Helen M. Kinne  
Helen M. Kinne

2289C



# STATE of WASHINGTON



## SECRETARY of STATE

*I, RALPH MUNRO, Secretary of State of the State of Washington and custodian of its seal, hereby issue this*

### CERTIFICATE OF INCORPORATION

to

GENERAL CONSTRUCTION COMPANY

a Washington Profit corporation. Articles of Incorporation were filed for record in this office on the date indicated below.

UBI Number: 601 735 032

Date: August 27, 1996



*Given under my hand and the Seal of the State of Washington at Olympia, the State Capital*

*RALPH MUNRO*  
Ralph Munro, Secretary of State  
2-540169-6

601 735032

FILED  
STATE OF WASHINGTON

AUG 27 1996

RALPH MUNRO  
SECRETARY OF STATE

ARTICLES OF INCORPORATION  
OF  
GENERAL CONSTRUCTION COMPANY

ARTICLE I

Name

The name of the corporation (the "Corporation") is  
GENERAL CONSTRUCTION COMPANY.

ARTICLE II

Authorized Shares

The total authorized number of shares of the  
Corporation is One Thousand (1,000) shares of common stock.

ARTICLE III

Directors

The number of directors of the Corporation and the  
manner in which such directors are to be elected shall be as set  
forth in the bylaws. The names and addresses of the initial  
directors are:

<u>Name</u>	<u>Address</u>
William F. Urban	P.O. Box 24506 Seattle, Washington 98124
Thomas E. Sherman	P.O. Box 24506 Seattle, Washington 98124
Larry L. Worth	P.O. Box 24506 Seattle, Washington 98124
James T. Dick	P.O. Box 24506 Seattle, Washington 98124
Gregg F. Woodward	P.O. Box 24506 Seattle, Washington 98124

The terms of the initial directors shall expire at the  
first shareholders' meeting at which directors are elected.

## ARTICLE IV

### Shareholders' Rights

1. Shareholders of the Corporation have no preemptive rights to acquire additional shares issued by the Corporation.
2. Holders of common stock shall be entitled to receive the net assets of the Corporation upon dissolution.

## ARTICLE V

### Voting Rights

1. Holders of common stock shall have unlimited voting rights.
2. At each election of directors, every shareholder entitled to vote at such election has the right to vote the number of shares of stock held by such shareholder for each of the directors to be elected. No cumulative voting for directors shall be permitted.

## ARTICLE VI

### Limitation on Liability of Directors

No director of the Corporation shall be personally liable to the Corporation or its shareholders for monetary damages for his or her conduct as a director, which conduct takes place on or after the date this Article becomes effective, except for (i) acts or omissions that involve intentional misconduct or a knowing violation of law by the director, (ii) conduct violating RCW 23B.08.310, or (iii) any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If, after this Article becomes effective, the Washington Business Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be deemed eliminated or limited to the fullest extent permitted by the Washington Business Corporation Act, as so amended. Any amendment to or repeal of this Article shall not adversely affect any right or protection of a director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal. This provision shall not eliminate or limit the liability of a director for any act or omission occurring prior to the date this Article becomes effective.

ARTICLE VII

Registered Office

The address of the registered office of the Corporation is 2111 N. Northgate Way, Suite 305, Seattle, Washington 98133, and the name of the registered agent at such address is Larry L. Worth.

ARTICLE VIII

Incorporator

The name and address of the incorporator is:

Name

Address

Kyle B. Lukins

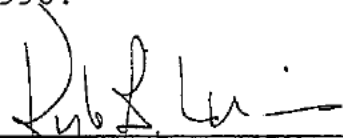
Two Union Square  
601 Union Street  
Seattle, Washington 98101-2346

ARTICLE IX

Amendment of Articles

The Corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation, in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on shareholders and directors are subject to this reserved power.

DATED: August 27, 1996.

  
\_\_\_\_\_  
Kyle B. Lukins  
Incorporator





CONSENT OF DIRECTORS  
IN LIEU OF SPECIAL MEETING  
OF  
GENERAL CONSTRUCTION COMPANY

Pursuant to RCW 23B.08.210 and RCW 23B.08.230, the undersigned, being all of the directors of GENERAL CONSTRUCTION COMPANY, a Washington corporation (the "Corporation"), acting without a meeting, DO HEREBY UNANIMOUSLY ADOPT the following resolutions and DO HEREBY UNANIMOUSLY CONSENT to the taking of the action therein set forth:

I.

RESOLVED: That the form of stock certificate attached hereto as Exhibit A is hereby approved and adopted as the form of certificate to be utilized by the Corporation in issuing its stock.

II.

RESOLVED: That the form of Stock Subscription Agreement attached hereto as Exhibit B is hereby approved and adopted as the form of Stock Subscription Agreement to be used by the Corporation for its subscribing shareholders; and

FURTHER RESOLVED: That Stock Subscription Agreement executed by the subscribing shareholder, identified below, is hereby accepted and, upon payment of the recited consideration, the President, or any Vice President, and the Secretary are hereby authorized and directed to issue the number of shares subscribed for therein, as follows:

<u>Subscriber</u>	<u>Shares</u>
Fletcher General, Inc.	100

FURTHER RESOLVED: That the consideration received or to be received by the Corporation for such shares is hereby deemed adequate and, upon receipt of the consideration by the Corporation, such shares shall be considered fully paid and nonassessable.

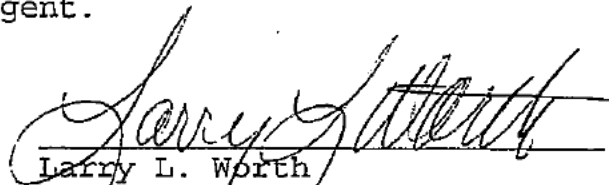
CONSENT TO APPOINTMENT AS REGISTERED AGENT

I, LARRY L. WORTH, hereby consent to serve as registered agent, in the State of Washington, for the following corporation (the "Corporation"):

GENERAL CONSTRUCTION COMPANY

I understand that as agent for the Corporation, it will be my responsibility to accept Service of Process in the name of the Corporation; to forward all mail and license renewals to the appropriate officer(s) of the Corporation; and to immediately notify the Office of the Secretary of State of my resignation or of any changes in the address of the registered office of the Corporation for which I am agent.

August 27, 1996

  
Larry L. Worth  
Registered Agent

2111 N. Northgate Way  
Suite 305  
Seattle, Washington 98133

III.

RESOLVED: That the form of corporate seal as affixed to the margin hereof is hereby approved and adopted as the official seal of the Corporation.

IV.

RESOLVED: That the Corporation hereby adopts a tax year ending June 30 of each year.

V.

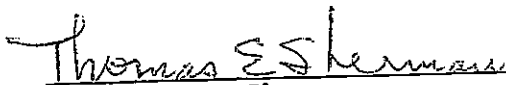
RESOLVED: That any actions authorized herein taken before the passage of these resolutions are hereby ratified and affirmed.

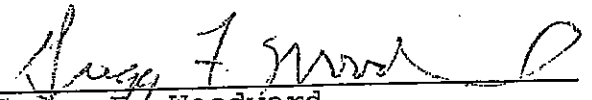
The execution of this consent shall constitute a written waiver of any notice required by RCW 23B.08.220 or the Corporation's Bylaws. This consent may be executed in counterparts, each when signed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. The actions set forth herein shall be effective when the last director signs the consent.

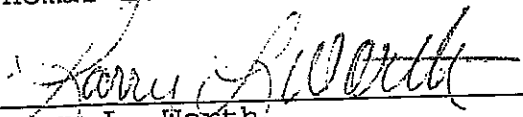
Dates as of October 10, 1996.

  
William F. Urban

James T. Dick

  
Thomas E. Sherman

  
Gregg F. Woodward

  
Larry L. Worth

OCT-11-1996 16:06 FROM FLETCHER GENERAL

TO IRVINE OFFICE

P.03

## III.

RESOLVED: That the form of corporate seal as affixed to the margin hereof is hereby approved and adopted as the official seal of the Corporation.

## IV.

RESOLVED: That the Corporation hereby adopts a tax year ending June 30 of each year.

## V.

RESOLVED: That any actions authorized herein taken before the passage of these resolutions are hereby ratified and affirmed.

The execution of this consent shall constitute a written waiver of any notice required by RCW 23B.08.220 or the Corporation's Bylaws. This consent may be executed in counterparts, each when signed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. The actions set forth herein shall be effective when the last director signs the consent.

Dates as of October 10, 1996.

William F. Urban

James T. Dick

Thomas E. Sherman

Gregg F. Woodward

Larry L. Worth



STOCK PURCHASE AGREEMENT

dated as of

October 17, 1996

among

GC Investment Co.

and

Fletcher General, Inc.

and

Fletcher Pacific Construction Co. Ltd.

## STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT dated as of October 17, 1996 (this "Agreement") is entered into among GC Investment Co., a Washington corporation ("Buyer"), Fletcher General, Inc., a Washington corporation ("Seller"), and Fletcher Pacific Construction Co Ltd., a Hawaiian corporation ("Pacific"), with reference to the following facts:

### RECITALS

A. Seller owns and operates a marine and civil construction company headquartered in Seattle, Washington (the "Business") from which Seller desires to withdraw. Buyer's Shareholders (as defined below) have formed Buyer for the purpose of acquiring a substantial portion of the Business through a management buy-out (the "MBO"). Seller has permitted Buyer to determine the transaction structure for the MBO, and the parties intend that Buyer shall be responsible for any liabilities arising by virtue of the structure selected for the transaction and for implementing that structure, except as otherwise expressed in this Agreement.

B. Subject to the foregoing, Buyer's Shareholders, in their capacity as the current senior management of Seller, have caused Seller to assign all of the tangible personal property assets and certain of the intangible personal property assets of the Business to General Construction Company, a Washington corporation ("General"), in exchange for all of the issued and outstanding shares of capital stock of General (the "Stock"). Buyer's Shareholders are also causing General to take all actions necessary to prequalify General to submit bids for public construction projects and to obtain contractor licenses in each jurisdiction in which the Business is operated, so that as of the Closing General will be qualified to operate its construction business and perform its obligations for Seller under the Management Agreement (as defined below).

C. Seller and Pacific are Affiliates of one another and are indirectly owned by Fletcher Construction Company North America.

D. Seller desires to sell, and Buyer desires to purchase from Seller, all of the Stock of General on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:



## ARTICLE I

### DEFINITIONS

1.01. Definitions. (a) The following terms, as used herein, have the following meanings:

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling, controlled by, or under common control with such other Person; provided that General shall not be considered an Affiliate of Seller.

"Assumed Liabilities" means the obligations, liabilities and expenses of Seller or General included in clauses (i) through (ix) below, except to the extent any such obligations, liabilities and expenses are covered by insurance, held by Seller with respect to events occurring prior to Closing, in which case they shall constitute Excluded Liabilities:

(i) All of Seller's obligations and liabilities arising on and after July 1, 1996 under all Unbonded Jobs (as such term is defined below), including, without limitation, (x) all claims with respect to the work performed on and after July 1, 1996 under all Unbonded Jobs, and (y) all of Seller's expenses for all project costs incurred on and after July 1, 1996 under all Unbonded Jobs determined in accordance with Seller's existing project accounting practices;

(ii) All general and administrative expenses of the Business arising in the ordinary course of business, which (x) are not expenses related to business activity prior to July 1, 1996, (y) are not third party expenses incurred by the Business after July 1, 1996 associated with winding down the remaining portion of the Business retained by Seller, (z) do not arise with respect to actions or activities of Seller occurring after the Closing with respect to the remaining portion of the Business retained by Seller, and (aa) are not accounted for as project costs under any Pre 7/23 Bonded Jobs or Post 7/23 Bonded Jobs (as such terms are defined below) in accordance with Seller's existing project accounting practices;

(iii) All extraordinary liabilities of Seller or General incurred outside the ordinary course of business of Seller or General after July 1, 1996 and that are not accounted for as project costs under any Pre 7/23 Bonded Jobs in accordance with Seller's existing project accounting practices, including, without limitation:

(A) all liabilities and obligations arising out of, resulting from, or relating to claims, whether founded upon negligence, strict liability in tort, and/or other similar legal theory, seeking compensation or recovery for or relating to injury to person or damage to property with respect to the operation of the Business;

(B) all liabilities and obligations arising out of, resulting from, or relating to any violation of any statute, regulation or governmental order in connection with the use and ownership of the Included Assets by Seller or General after July 1, 1996 or the operation of the Business after July 1, 1996;

(C) All liabilities and obligations arising out of, resulting from, or relating to claims of infringement or other misappropriation of the Intellectual Property Rights of other Persons after July 1, 1996; or

(D) All liabilities and obligations arising out of, or resulting from, or relating to the employment of Seller's employees;

provided, that, the Assumed Liabilities shall not include any extraordinary liabilities of Seller incurred by Seller after the Closing with respect to the portion of the Business retained by Seller or any other activities of Seller unrelated to the Business;

(iv) The liability of Seller or General, if any, for sales or use tax arising with respect to the assignment and transfer of the Included Assets from Seller to General, provided that, with respect to any such tax relating to the transfer of the assets listed on Schedule 1.01(A)(iv), Seller shall have paid the sales or use tax required to be paid by Seller pursuant to Section 9.02(d) below;

(v) Seller's obligations with respect to any accrued employee benefits of the types described on Schedule 1.01(A)(v) arising prior to the Closing;

(vi) Seller's obligations under any employee health and welfare or other employee benefit plan, including, without limitation, any COBRA rights of any terminated employees of Seller, (x) to the extent such liabilities arise with respect to the employment of Seller's

employees on or after July 1, 1996 and would not constitute project costs in accordance with Seller's existing project accounting practices with respect to any Pre 7/23 Bonded Jobs or (y) in any event, to the extent that the expense for providing any such employee benefit is included in the Included Reserves (as defined below);

(vii) All liabilities and obligations of Seller arising out of, or resulting from, or relating to the termination of employment of Seller's employees in connection with the transition of the employment of Seller's workforce from Seller to General (including employees, if any, not hired by General) at or in anticipation of the Closing (provided, that the Assumed Liabilities shall not include any liabilities arising with respect to actions or events occurring prior to July 1, 1996, even if a claim concerning such actions or events occurring prior to July 1, 1996 is asserted in the context of a wrongful termination action) or, if they are subsequently employed by General or Buyer, upon the termination of employment of such employees by General or Buyer, including, without limitation, any liabilities arising under 29 U.S.C. §2101 et. seq.;

(viii) All liabilities incurred (x) by General or Seller in connection with the organization of General and (y) by General in connection with the operation of General from its organization through the Closing, except any liabilities that constitute project costs in accordance with Seller's existing project accounting practices with respect to any Pre 7/23 Bonded Jobs; and

(ix) The obligations and liabilities of Seller under the Included Leases and the Assumed Contracts that accrue, pursuant to the terms and conditions of the respective Included Leases and the Assumed Contracts, on and after the Closing Date.

"Buyer's Shareholders" means William F. Urban, Larry L. Worth, Gregg F. Woodward, James T. Dick and Thomas E. Sherman.

"CERCLA" means the Comprehensive Environmental Responses, Compensation and Liability Act of 1980, as amended.

"Closing Date" means the date of the Closing.

"Environmental Law" shall mean any current or future legal requirement pertaining to (a) the protection of health, safety, and the indoor or outdoor environment, (b) the conservation, management, or use of natural resources and wildlife, (c) the protection or use of surface water and

groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, release, threatened release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Material or (e) pollution (including any release to air, land, surface water, and groundwater), and includes, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601-9675, Solid Waste Disposal Act, 42 U.S.C. §§ 6901-6991k, Federal Water Pollution Control Act, 33 U.S.C. §§ 1251-1387, Clean Air Act, 42 U.S.C. §§ 7401-7671q, Toxic Substances Control Act, 15 U.S.C. §§ 2601-2692, Hazardous Materials Transportation Act, 49 U.S.C. §§ 5101-5127, Occupational Safety and Health Act, 29 U.S.C. §§ 651-678, Oil Pollution Act, 33 U.S.C. §§ 2701-2761, Emergency Planning and Community Right-to-Know Act, 42 U.S.C. §§ 11001-11050, National Environmental Policy Act, 42 U.S.C. §§ 4321-4370d, Safe Drinking Water Act, 42 U.S.C. §§ 300f to 300j-11, Washington Model Toxics Control Act, Chapter 70.105D RCW, Washington Hazardous Waste Management Act, Chapter 70.105 RCW, Washington Water Pollution Control Act, Chapter 90.48 RCW, Washington Clean Air Act, Chapter 70.94 RCW, any similar, implementing or successor law, any amendment, rule, regulation, order, or directive issued thereunder, and any comparable or analogous state or local law or ordinance with their respective implementing regulations.

"Excluded Assets" means all assets of Seller that are not specifically included within the definition of Included Assets. The Excluded Assets include, without limitation:

- (i) All real property owned by Seller;
- (ii) All of Seller's interest in all Pre 7/23 Bonded Jobs (provided, that General shall be entitled to receive fees in accordance with the Management Agreement);
- (iii) All of Seller's interest in all Post 7/23 Bonded Jobs (provided, that General shall be entitled to receive fees in accordance with the Management Agreement);
- (iv) All of Seller's interest arising prior to July 1, 1996 in all Unbonded Jobs (including all accounts receivable arising with respect to work performed prior to July 1, 1996); and
- (v) All cash and cash equivalents of Seller that do not represent the proceeds of Included Assets.

"Excluded Liabilities" means all liabilities of Seller and the Business that are not specifically included within the

definition of Assumed Liabilities.. As so conditioned, the Excluded Liabilities include, without limitation:

(i) All obligations or liabilities of the Business, Seller or any of its Affiliates of any nature whatsoever, arising with respect to any acts, actions, omissions or events occurring prior to July 1, 1996;

(ii) All liabilities incurred prior to July 1, 1996 with respect to any Unbonded Jobs (including any warranty or similar claims with respect to any work performed on any Unbonded Jobs prior to July 1, 1996);

(iii) All liabilities incurred with respect to any Pre 7/23 Bonded Jobs (including any warranty or similar claims), except as otherwise specifically provided in the Management Agreement;

(iv) All extraordinary liabilities of Seller or General (except as specifically covered as Assumed Liabilities above) incurred outside the ordinary course of business of Seller or General (x) prior to July 1, 1996 in any event or (ii) between July 1, 1996 and the Closing to extent covered by insurance held by Seller, including, without limitation:

(A) all liabilities and obligations arising out of, resulting from, or relating to claims, whether founded upon negligence, strict liability in tort, and/or other similar legal theory, seeking compensation or recovery for or relating to injury to person or damage to property with respect to the operation of the Business;

(B) all liabilities and obligations arising out of, resulting from, or relating to any violation of any statute, regulation or governmental order in connection with the use and ownership of the Included Assets by Seller or General prior to the Closing or the operation of the Business prior to the Closing;

(C) All liabilities and obligations arising out of, resulting from, or relating to claims of infringement or other misappropriation of the Intellectual Property Rights of other Persons prior to the Closing; or

(D) All liabilities and obligations arising out of, or resulting from, or relating to the employment of Seller's employees (except for any

liabilities and obligations related to the termination of Seller's employees in connection with the Closing);

(v) All liabilities under Seller's present or former contracts with labor unions, including, without limitation, any unfunded pension or withdrawal liabilities or liabilities related to wrongful termination or unfair labor practices, to the extent such liabilities (x) arise from acts or actions occurring prior to July 1, 1996, (y) are covered by insurance held by Seller or (z) are of a nature that would constitute project costs in accordance with Seller's existing project accounting practices with respect to any Pre 7/23 Bonded Jobs;

(vi) All liabilities for or relating to any Hazardous Substances (i) located on or affecting any owned or leased real property of Seller prior to the Closing Date or (ii) generated, released, transported or disposed of by or on behalf of Seller prior to the Closing Date, to the extent such liabilities (x) arise from acts or actions occurring prior to July 1, 1996, (y) are covered by insurance held by Seller or (z) are of a nature that would constitute project costs in accordance with Seller's existing project accounting practices with respect to any Pre 7/23 Bonded Jobs; and

(vii) All liabilities of Seller under any employee health and welfare or other employee benefit plan, including, without limitation, any COBRA rights of any terminated employees of Seller, except to the extent the expense for providing any such employee benefit is included in the Included Reserves, provided, that, to the extent such liabilities arise with respect to the employment of Seller's employees on or after July 1, 1996 and are of a nature that would constitute routine general and administrative expenses for Seller's corporate employees or project costs in accordance with Seller's existing project accounting practices with respect to any Unbonded Jobs or any Post 7/23 Bonded Jobs, such liabilities shall constitute Assumed Liabilities.

"Guaranty" means the Guaranty in the form of Exhibit 1.01A attached hereto to be given by the Buyer's Shareholders and their spouses with respect to the indemnification obligations of the Buyer to Seller for any claims that Seller might incur with respect to the Post 7/23 Bonded Jobs; provided, that, with respect to each of the Buyer's Shareholders and their respective spouses the amount of the total liability of such Buyer's Shareholder and spouse under the Guaranty will be limited to the

following percentages of the total guaranteed liability: William F. Urban and his spouse: 93%; Thomas E. Sherman and his spouse: 17.1%; Gregg F. Woodward and his spouse: 14.25%; James T. Dick and his spouse: 14.25%; and Larry L. Worth and his spouse: 11.4%.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Hazardous Material" shall mean any substance, chemical, compound, product, solid, gas, liquid, waste, byproduct, pollutant, contaminant, or material which is hazardous, toxic or radioactive, and includes, without limitation, (a) asbestos, polychlorinated biphenyls, lead-based paints and petroleum (including crude oil or any fraction thereof) and (b) any such material classified or regulated as "hazardous," "toxic" or "dangerous" pursuant to any Environmental Law.

"Included Assets" means:

(i) All rights of Seller that accrue on and after July 1, 1996 under all Unbonded Jobs, including, without limitation, all revenue earned with respect to work done under such Unbonded Jobs from and after July 1, 1996, all determined in accordance with Seller's existing project accounting practices;

(ii) Seller's fixed assets, including without limitation all plant, floating plant, construction equipment, vehicles, vessels, machinery, equipment, lifting tackle, tools, fixtures, dies, supplies, furniture, furnishings and other items of personal property owned by Seller, but excluding (A) any item booked as of June 30, 1996 as unrealized salvage in accordance with Seller's existing project accounting practices with respect to any of the Unbonded Jobs, and (B) any items booked at any time as unrealized salvage in accordance with Seller's existing project accounting practices with respect to any of the Pre 7/23 Bonded Jobs;

(iii) Seller's interest as lessee or charterer under the leases and charters of personal and real property (the "Included Leases") more fully described on Schedule 1.1(B)(iii);

(iv) Seller's interest in, to and under all contracts, commitments and purchase orders (the "Assumed Contracts") made in the ordinary course of business of Seller, but excluding (A) the Pre

7/23 Bonded Jobs, (B) the Post 7/23 Bonded Jobs, (C) any interest of Seller under any Unbonded Jobs arising with respect to work done prior to July 1, 1996, and (D) the contracts, commitments, purchase orders and other agreements identified on Schedule 1.01(B)(iv) attached hereto (the "Excluded Contracts");

(v) Cash equal to the net aggregate amount (the "Reserve Net Amount") comprised of (x) all reserves accrued on the books of Seller as of the Closing Date with respect to certain reserve accounts more fully described on Schedule 1.01(B)(v)(a) (the "Included Reserves"), reduced by (y) an amount equal to the balances on the books of the Seller as of the Closing Date of certain prepaid expenses accounts which are more fully described on Schedule 1.01(B)(v)(b);

(vi) To the extent assignable, all rights and choses in action, if any, of Seller against third parties and relating to the Included Assets, including, without limitation, all rights under manufacturers' and vendors warranties;

(vii) To the extent assignable, all of Seller's Intellectual Property Rights relating to the Business (except to the extent arising under Excluded Contracts), including, without limitation the copyrights, ASME Certificates, trade names, trademarks and service marks used in the Business and described on Schedule 1.01(B)(viii); provided, that, with respect to the JD Edwards software license to operate the MIS System, Buyer and Seller will use their good faith efforts to arrange for JD Edwards to issue a separate license to General with respect to the services provided to General under the MIS Agreement, with the fee for division of the current license being paid by Seller; provided further, that Seller shall retain a license to use such Intellectual Property to the extent necessary to wind up its remaining business; and provided further, that to the extent that any Affiliate of Seller is presently using any such Intellectual Property and desires to continue to use any such Intellectual Property in the future, Seller and Buyer will negotiate in good faith an agreement



by which Seller's Affiliates may continue to use such Intellectual Property; and

(viii) All books, records, files and papers of Seller and its subsidiaries related to the Included Assets, whether in hard copy or computer format, including, without limitation, all bid records, cost reports, engineering information, equipment records, maintenance histories, project reports, job completion reports, related manuals and catalogs, lists of present and former suppliers, lists of present and former customers, personnel and employment records, and any information relating to an taxes imposed on the Included Assets that is in the control and possession of Seller.

"Intellectual Property Right" means any trademark, service mark, registration thereof or application for registration therefor, trade name, invention, patent, patent application, trade secret, know-how, copyright, copyright registration, application for copyright registration, or any other similar type of proprietary intellectual property right, in each case which is owned or licensed and used or held for use by Seller or any subsidiary of Seller.

"Knowledge," "Known" or similar terms as used in this Agreement with respect to Seller, means the actual knowledge of Malcolm Hope, Graham Duff, Graeme Hawkins, Mark Binns and Jack Craig, or any of them. "Knowledge," "Known" or similar terms as used in this Agreement with respect to Buyer, means the actual knowledge of William Urban, Larry Worth, Gregg Woodward, Thomas Sherman, James Dick and Alan Larson, or any of them.

"Lease" means the Lease in the form of Exhibit 1.01(B) attached hereto covering a portion of Seller's real property located on the Duwamish waterway in Seattle, Washington, as legally described therein.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset.

"Management Agreement" means that certain Management Agreement in the form of Exhibit 1.01(C) attached hereto, between Seller and General.

"Management Information System" means Seller's management information system, including Seller's current computer system, software and support.

"Material Adverse Change" means a material adverse change in the Business, assets, condition (financial or otherwise), result of operations or prospects of Seller.

"Material Adverse Effect" means a material adverse effect on the condition (financial or otherwise), business, assets, results or operations or prospects of Seller.

"MIS Agreement" means the Management Information Systems Agreement in the form of Exhibit 1.01(D) attached hereto with respect to the use and operation of the Management Information System.

"Note" means a subordinated promissory note of Buyer, the Buyer's Shareholders and their spouses in the principal amount of \$2,250,000 in substantially the form of Exhibit 1.01(E) hereto evidencing a portion of the Subordinated Debt; provided, that, with respect to each of the Buyer's Shareholders and their respective spouses the amount of the total liability of such Buyer's Shareholder and spouse under the Note will be limited to the following percentages of the total obligations outstanding under the Note: William F. Urban and his spouse: 93%; Thomas E. Sherman and his spouse: 17.1%; Gregg F. Woodward and his spouse: 14.25%; James T. Dick and his spouse: 14.25%; and Larry L. Worth and his spouse: 11.4%.

"Person" means an individual, a corporation, a partnership, an association, a trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Pre 7/23 Bonded Jobs" means those construction jobs of Seller listed on Schedule 1.01(C) attached hereto for which Seller has posted a bond that were bid and won by Seller on or prior to July 23, 1996.

"Post 7/23 Bonded Jobs" means those construction jobs of Seller listed on Schedule 1.01(D) attached hereto for which Seller has posted a bond that were bid and won by Seller after July 23, 1996 (Schedule 1.01(D) will be updated as of the Closing).

"Short-Term Subordinated Note" means a subordinated promissory note of Buyer and General in the principal amount of \$1,750,000 in substantially the form of Exhibit 1.01(F) hereto evidencing a portion of the Subordinated Debt.

"Subordinated Debt" means the indebtedness evidenced by the Note and the Short-Term Subordinated Note, which shall be subordinated to (x) the indebtedness of Buyer and General to Key Bank of Washington in the original principal amount of up to \$25,000,000, with such subordination effected pursuant to a

subordination agreement in the form of Exhibit 1.01(G) attached hereto (the "Bank Subordination Agreement") (or any replacement indebtedness that is of equal or lower principal amount and subject to terms and conditions in no material respect more onerous to Buyer and General than the indebtedness covered by the Bank Subordination Agreement, and with the subordination of such indebtedness subject to a subordination agreement in no respect more onerous to Seller than the Bank Subordination Agreement); and (y) the indemnity obligations of Buyer and General to Fireman's Fund (or a substitute surety) with respect to bonds issued by Fireman's Fund between the Closing Date and the stated maturity of the Note and while William F. Urban maintains the power to elect a majority of the members of the board of directors of Buyer, with such subordination effected pursuant to a subordination agreement in the form of Exhibit 1.01(H) attached hereto (the "Bonding Company Subordination Agreement") (or pursuant to a substitute subordination agreement in no respect more onerous to Seller than the Bonding Company Subordination Agreement).

"Unbonded Jobs" means those construction jobs of Seller listed on Schedule 1.01(E) attached hereto for which Seller has not been required to post a bond.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Act	5.05
Amended Plan	8.06
Buyer Non-competition Covenant	12.06
Closing	3.02
Closing Cash Payment	3.01
Closing Transfer Documents	3.02 (a)
Damages	10.02
Dispute	12.06
ERISA	6.03
Organization Date	2.01
Indemnified Party	10.03
Indemnifying Party	10.03
PBGC	6.03
Old Plan	8.06
Organization Transfer Documents	3.02 (a)
Pension Plan	6.03
Purchase Price	3.01
Seller's Books and Records	8.08
Seller Non-competition Covenant	12.06

## ARTICLE II

### ORGANIZATION OF GENERAL CONSTRUCTION COMPANY

2.01. Organization of General. Effective on October 10, 1996 (the "Organization Date") and in order to permit General to obtain licensing and pre-qualification authority necessary to operate the Business as of the Closing, Buyer's Shareholders, acting in their capacity as the senior management of Seller, caused Seller to capitalize General by assigning to General all of the Included Assets held by Seller as of the Organization Date in exchange for the issuance of the Stock by General to Seller and the assumption by General of all of the Assumed Liabilities to which Seller was subject as of the Organization Date. In connection with the transfer of assets to General, General has provided Seller with a resale certificate for state tax purposes covering the 42' Clyde Crane and the Todd Whirely equipment. In addition, at the Closing (i) Seller shall transfer and assign to General all additional Included Assets acquired by Seller between the Organization Date and the Closing Date that are held by Seller as of the Closing Date and (ii) General shall assume from Seller all additional Assumed Liabilities to which Seller becomes subject between the Organization Date and the Closing Date.

## ARTICLE III

### PURCHASE AND SALE

3.01. Purchase and Sale. Upon the terms and subject to the conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Stock at the Closing. The purchase price for the Stock (the "Purchase Price") is \$22,500,000, comprised of (a) \$20,250,000.00 in cash (the "Closing Cash Payment"), and (b) \$2,250,000.00 evidenced by the Note; provided, that, the Purchase Price and the Closing Cash Payment shall be increased by the amount of all capital assets (exclusive of capital assets treated as job costs in accordance with Seller's existing project accounting practices) purchased by Seller on and after July 1, 1996. The Purchase Price shall be paid as provided in Section 3.02.

3.02. Closing. The closing (the "Closing") of the purchase and sale of the Stock hereunder shall take place at the offices of Bogle & Gates P.L.L.C., Two Union Square, Suite 5100, Seattle, Washington as soon as possible, but in no event later than 5 business days after satisfaction of the conditions set forth in Article X, or at such other time or place as Buyer and Seller may agree. At the Closing,

- (a) Buyer shall deliver to Seller:
- (i) The Closing Cash Payment by wire transfer in accordance with instructions to be provided not fewer than two Business Days prior to the Closing by Seller;
  - (ii) the Note, duly executed by Buyer, the Buyer's Shareholders and their spouses;
  - (iii) the Guaranty, duly executed by the Buyer's Shareholders and their spouses;
  - (iv) the Lease, duly executed by Buyer;
  - (v) the MIS Agreement, duly executed by Buyer;
  - (vi) the Management Agreement, duly executed by General;
  - (vii) a Memorandum of Transfer of Assets for Capital Contribution Purposes in substantially the form of Exhibit 3.02(a)(vii)(A) attached hereto, signed by Seller and covering the assignment of the Included Assets as of the Organization Date, and a Memorandum of Assumption of Liabilities in substantially the form of Exhibit 3.02(a)(vii)(B) attached hereto, signed by Seller and covering the assumption of the Assumed Liabilities by General as of the Organization Date (collectively, the "Organization Transfer Documents");
  - (viii) a Memorandum of Transfer of Assets for Capital Contribution Purposes in substantially the form of Exhibit 3.02(a)(viii)(A) attached hereto, signed by Seller and covering the assignment of any additional Included Assets acquired by Seller between the Organization Date and the Closing Date, and an Memorandum of Assumption of Liabilities in substantially the form of Exhibit 3.02(a)(vii)(B) attached hereto, signed by Seller and covering the assumption by General of any additional Assumed Liabilities arising between the Organization Date and the Closing Date (collectively, the "Closing Transfer Documents"); and
  - (ix) the Short-Term Subordinated Note, duly executed by Buyer and General.

(b) Seller shall deliver to Buyer (or General, as directed by Buyer):

(i) a payment by wire transfer to General of the amount estimated by Buyer and Seller in good faith owing by Seller to General with respect to the revenue derived by Seller from Included Assets prior to the Closing less the expenses incurred by Seller for the Assumed Liabilities prior to the Closing, plus the estimated Reserve Net Amount, plus the estimated fees and other amounts owing by Seller to General as of the Closing under the terms of the Management Agreement, plus the principal amount of the Short-Term Subordinated Note;

(ii) the certificate evidencing the Stock accompanied by an assignment separate from certificate with respect thereto duly endorsed by Seller in blank;

(iii) the Lease, duly executed by Seller;

(iv) the MIS Agreement, duly executed by Seller;

(v) the Management Agreement, duly executed by Seller;

(vi) the Bank Subordination Agreement and the Bonding Company Subordination Agreement;

(vii) the Organization Transfer Documents and the Closing Transfer Documents, each signed by General; and

(viii) a subordination agreement in the form of Exhibit 3.02(b) attached hereto, executed by Fletcher Construction Company North America, a Delaware corporation, and Fletcher Construction Company Hawaii Limited, a Hawaii corporation.

3.03. Post Closing Adjustment. Within 30 days following the Closing Seller and General shall meet and reconcile the accounting for (i) the division of revenue between the Included Assets and the Excluded Assets, (ii) the division of expenses between the Assumed and the Excluded Liabilities, (iii) the amount of the Reserve Net Amount, and (iv) the management fees and other expenses arising under the Management Agreement, for the period ending as of the Closing.

## ARTICLE IV

### REPRESENTATIONS AND WARRANTIES OF SELLER AND PACIFIC

Seller and Pacific hereby represent and warrant to Buyer that:

4.01. Authority The execution and delivery of this Agreement and the consummation of the transactions contemplated by it have been duly and validly authorized by all necessary corporate action on the part of Seller and Pacific, and this Agreement is a valid and binding obligation of each of Seller and Pacific, enforceable in accordance with its terms.

4.02. Governmental Authorization; Consents. Except as set forth on Schedule 4.02 or Schedule 5.03, to the Knowledge of Seller, the execution, delivery and performance by Seller of this Agreement require no action by or in respect of, or filing with, any governmental body, agency, official or authority.

4.03. Equity Investments. To the knowledge of Seller, no corporation, partnership, joint venture or other entity other than Seller or General has, directly or indirectly, any equity interest in the Included Assets.

4.04. Tax Matters. To the knowledge of Seller, as of Closing, no deficiency for any tax has been asserted or assessed against Seller relating to the Included Assets which remains unpaid.

4.05. Title. At the time of the transfer of the Included Assets to General, Seller had good and marketable title to all of the Included Assets free and clear of all Liens of any kind or character, except (i) those set forth in any Schedule to this Agreement, (ii) Liens for taxes not yet due and payable, (iii) Liens of lessors as provided for in Included Leases, and (iv) matters Known to Buyer.

4.06. Certain Contracts. (a) Except for the agreements, contracts, plans, leases, arrangements or commitments listed on Schedule 4.06 or otherwise within the Knowledge of Buyer, to the Knowledge of Seller neither Seller nor General is a party to or subject to:

(i) any partnership, joint venture or other similar contract arrangement or agreement; or

(ii) any contract or other document that substantially limits the freedom of Seller or General to compete in any line of business or with any Person or in any area or

which would so limit the freedom of General or any subsidiary of General after the Closing Date (other than competition with the commercial building construction business conducted by Fletcher Wright Construction, Inc. as of the closing of the sale of its business to Howard S. Wright Construction Company or HSW, Inc.).

4.07. Brokers' or Finders' Fees Etc. To the knowledge of Seller, no agent, broker, investment banker, person or firm acting on behalf of Seller is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from Buyer or General in connection with any of the transactions contemplated by this Agreement.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller and Pacific that:

5.01. Organization, Standing and Power. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Washington and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

5.02. Authority: No Violation, Etc. The execution and delivery of this Agreement and the consummation of the transactions contemplated by it have been duly and validly authorized by all necessary corporate action on the part of Buyer, and this Agreement is a valid and binding obligation of Buyer, enforceable in accordance with its terms. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by it, nor compliance with any of its provisions will (i) conflict with or result in a breach of any provision of Buyer's Articles of Incorporation or Bylaws, or (ii) violate any judgment, order, writ, injunction or decree of any court, administrative agency or governmental body applicable to Buyer. The execution of the Agreement will not give any person the right to prevent, delay or otherwise interfere with any of the transactions contemplated by this Agreement pursuant to any contract to which Buyer is a party or by which Buyer may be bound.

5.03. Governmental Authorization; Consents. Except as set forth on Schedule 5.03, to the Knowledge of Buyer, the execution, delivery and performance by Buyer of this Agreement require no action by or in respect of, or filing with, any governmental body, agency, official or authority. No filing is required by Seller, Buyer or any Affiliate of either under the HSR Act.



5.04. Brokers' or Finders' Fees, Etc. No agent, broker, investment banker, person or firm acting on behalf of Buyer or under its authority is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from any of the parties hereto in connection with any of the transactions contemplated by this Agreement.

5.05. Investment Purpose. Buyer is acquiring the Stock for its own account for investment only and not with a view to, for resale in connection with, or with an intent of participating directly or indirectly in, any distribution of the Stock within the meaning of the Securities Act of 1933, as amended ("Act"), Buyer understands and agrees that the sale of Stock to Buyer has not been registered under the Act or any state securities laws, and that the Stock may not be resold without registration under the Act or applicable state securities laws or an exemption therefrom.

5.06 Condition of Included Assets. Buyer and General accept the Included Assets in their **"AS IS, WHERE IS"** condition, and acknowledge and agree that Seller does not have and will have no liability whatsoever for the condition of the Included Assets.

5.07 Litigation. There is no pending proceeding that has been commenced against Buyer and that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the transaction contemplated by the Agreement. To Buyer's knowledge, no such proceeding has been threatened.

## ARTICLE VI

### COVENANTS OF SELLER

Seller agrees that:

6.01. Resignations. Seller will deliver to Buyer at or prior to the Closing Date the resignations of all officers and directors of General who will be officers, directors or employees of Seller or any of its Affiliates after the Closing Date from their positions with General, except as provided in Section 7.03 below.

6.02. Environmental Assessment. Seller shall procure from an environmental engineering firm acceptable to Buyer in its reasonable judgement a Phase I or Level I environmental assessment with respect to the real property subject to the Lease as soon as possible but in any event not later than October 31,

1996 for purposes of establishing a baseline for responsibility between Seller and Buyer with respect to any Hazardous Substances affecting such property. If the Phase I environmental assessment report recommends further investigation and/or invasive testing and such investigation and/or testing is necessary in the reasonable judgment of Buyer to establish a reliable baseline with respect to the status of Hazardous Substances affecting the property, Seller will proceed to complete such further investigation and/or testing and provide a final report with respect to the results of such investigation or testing to Buyer.

6.03. Defined Benefit Pension Plan. Seller presently maintains a defined benefit pension plan (the "Pension Plan"). Seller will terminate the Pension Plan, effective October 31, 1996, in a manner that meets the requirements of all applicable law, preserves the qualified status of the Pension Plan under Section 401(a) of the Internal Revenue Code, and meets the requirements for a "standard termination" under Section 4041 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Buyer and General will not assume any liability for benefits accrued, or to be accrued, under the Pension Plan. Seller will retain the right to the reversion of any residual assets after the payment of all accrued benefits and satisfaction of all fees and expenses related to the administration and termination of the Pension Plan. Seller will be fully responsible for any and all costs and expenses (including any that result from participant claims or claims by the Pension Benefit Guarantee Corporation ("PBGC")) relating to the administration and termination of the Pension Plan, including costs related to the submission of the Pension Plan to the Internal Revenue Service for a determination that the termination, any related distributions, and any potential asset reversion to Seller, do not adversely affect the qualified status of the Pension Plan, and costs related to the notification to the PBGC regarding Seller's intent to terminate the Pension Plan (and any related costs and expenses resulting from the PBGC's issuance of a notice of noncompliance with Section 4041 of ERISA). In addition to other options and to the extent permitted under applicable law, Seller's employees who become employees of General at the Closing will be given an opportunity to roll over any accrued benefit in the Pension Plan into the General Construction Company 401(K) Plan (as defined in Section 8.06 below).

6.04. Noncompetition. (a) Seller and Pacific agree that for a period of three (3) full years from the Closing Date, neither they nor any of their Affiliates shall engage, either directly or indirectly, as a principal or for its own account or solely or jointly with others, or as stockholder in any corporation or joint stock association, in any business that competes with the Business as it exists on the Closing Date within the states of Alaska, Washington, Oregon or California or

in the coastal waters extending ten (10) miles offshore from such states; provided, that, nothing contained herein shall preclude Seller from completing the Pre 7/23 Bonded Jobs or the Post 7/23 Bonded Jobs in accordance with this Agreement and the Management Agreement;

(b) If any provision contained in this Section shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Section, but this Section shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. It is the intention of the parties that if any of the restrictions or covenants contained herein is held to cover a geographic area or to be for a length of time which is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under applicable law, an arbitrator pursuant to Section 12.06 below shall construe and interpret or reform this Section to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law. Seller and Pacific acknowledge that Buyer would be irreparably harmed by any breach of this Section and that there would be no adequate remedy at law or in damages to compensate Buyer for any such breach. Seller and Pacific agree that Buyer shall be entitled to injunctive relief requiring specific performance by Seller and Pacific of this Section, and Seller and Pacific consent to the entry thereof.

6.05 Tax Election. Seller and the consolidated group in which Seller is a part shall make the election described in Section 338(h)(10) of the Internal Revenue Code of 1986, as amended.

## ARTICLE VII

### COVENANTS OF BUYER

Buyer agrees that:

7.01. Access. For a period of seven (7) years after the Closing, Buyer will cause General to afford promptly to Seller and its agents reasonable access to General's properties, books, records, employees and auditors to the extent necessary to permit Seller to determine any matter relating to its rights and obligations hereunder or with respect to any matter concerning taxes of Seller or other issues concerning Seller for any period ending on or as of the Closing Date. Seller will hold, and will use its best efforts to cause its officers, directors, employees,

accountants, counsel, consultants, advisors and agents to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of law, all confidential documents and information concerning General provided to it pursuant to this Section 7.01. Notwithstanding the foregoing, neither Buyer nor General shall be required to hold or maintain any records of Seller or the Business that relate to matters more than ten (10) years old at any time. In addition, at the request of Seller, Buyer will make available to Seller during the term of the Management Agreement an office for an employee of Seller or an Affiliate of Seller.

7.02. Cease Using Fletcher Name. Except in its management of those Pre 7/23 Bonded Jobs and Post 7/23 Bonded Jobs being completed for Seller and otherwise in conjunction with the performance of its obligations under the Management Agreement, Buyer shall never utilize the names "Fletcher" or "Challenge," individually or in conjunction in any matter in its business after the Closing and shall utilize reasonable commercial efforts to delete or remove these two names from any of the Included Assets.

7.03. Resignations. Buyer will deliver to Seller at or prior to the Closing Date the resignations of all officers and directors of Seller who will be officers, directors or employees of Buyer or any of its Affiliates after the Closing Date from their positions with Seller; provided, that, for the term of the Management Agreement, Thomas R. Anderson, or another person mutually acceptable to Buyer and Seller, shall be elected Vice President and Assistant Secretary of Seller, with authority to execute such documents and make such filings with governmental agencies on behalf of Seller as are reasonably necessary in connection with the continued operation of the Business and General's performance under the Management Agreement.

7.04. Maintenance of Control. Until the later of (i) completion of each of the Post 7/23 Bonded Jobs, (ii) completion of each of the Pre 7/23 Bonded Jobs, (iii) termination of the Management Agreement and (iv) payment in full of the Subordinated Debt, Buyer and General shall not issue any equity securities or enter into any other contractual arrangement that would result in William F. Urban not maintaining the power to elect a majority of the members of the board of directors of Buyer, and Buyer not maintaining the power to elect a majority of the members of the board of directors of General.

7.05. Noncompetition. (a) Buyer agrees that for a period ending on June 30, 2001, neither Buyer, General nor any of their Affiliates shall engage, either directly or indirectly, as a principal or for its own account or solely or jointly with others, or as stockholder in any corporation or joint stock association, in any business that competes with the commercial

building market in which Fletcher Wright, Inc. was operating on the date of the closing of the sale of a portion of its business to Howard S. Wright Construction a/k/a HSW, Inc.

(b) If any provision contained in this Section shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Section, but this Section shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. It is the intention of the parties that if any of the restrictions or covenants contained herein is held to cover a geographic area or to be for a length of time which is not permitted by applicable law, or in any way construed to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under applicable law, an arbitrator pursuant to Section 12.06 below shall construe and interpret or reform this Section to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such applicable law. Buyer acknowledges that Seller would be irreparably harmed by any breach of this Section and that there would be no adequate remedy at law or in damages to compensate Seller for any such breach. Buyer agrees that Seller shall be entitled to injunctive relief requiring specific performance by Buyer and General of this Section, and Buyer consents to the entry thereof.

7.06. Negative Pledge. Until the later of (i) completion of each of the Post 7/23 Bonded Jobs, (ii) completion of each of the Pre 7/23 Bonded Jobs, (iii) termination of the Management Agreement and (iv) payment in full of the Subordinated Debt, Buyer and General (x) shall not subject any of the Included Assets to any liens or security interests except for liens and security interests in favor of Buyer and General's principal secured lender, and (y) shall not incur any indebtedness secured by liens or security interests covering the Included Assets in an amount greater than the amount of indebtedness that Seller has agreed shall be senior to the Subordinated Debt as provided in the definition of Subordinated Debt set forth in Section 1.01 above. At the Closing Buyer and General's principal secured lender shall be Key Bank of Washington.

## ARTICLE VIII

### COVENANTS OF BOTH PARTIES

The parties hereto agree that:

8.01. Confidentiality. None of the Parties to this Agreement will disclose the terms of the transactions contemplated by this Agreement, and all other related documents without the prior written consent of the other parties hereto, except to the extent such disclosure is required by law or is made to representatives and advisers of Buyer, Seller or Pacific or to Buyer's, Seller's or Pacific's board of directors or officers, or as may be required by any exchange on which the stock of any Affiliate of Seller is traded, or made to representatives and advisers to Seller, Pacific or Buyer, their respective boards of directors, officers, insurance companies or financial institutions.

8.02. Commercially Reasonable Efforts. Subject to the terms and conditions of this Agreement, each party will use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate the transactions contemplated by this Agreement. Seller, Pacific and Buyer each agree, and Seller, prior to the Closing, and Buyer, after the Closing, agree to cause General, to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be necessary or desirable in order to consummate or implement expeditiously the transactions contemplated by this Agreement.

8.03. Certain Filings. Seller and Buyer shall cooperate with one another (a) in determining whether any action by or in respect of, or filing with, any governmental body, agency, official or authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any material contracts, in connection with the consummation of the transactions contemplated by this Agreement and (b) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers.

8.04. Cooperation on Tax Matters. (a) Buyer and Seller shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with any audit, litigation or other proceeding with respect to taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually

convenient basis to provide additional information and explanation of any material provided hereunder.

(b) Buyer and Seller further agree, upon request, to use their reasonable best efforts to obtain any certificate or other document from any governmental authority or customer of Seller or General or any other Person as may be necessary to mitigate, reduce or eliminate any tax that could be imposed (including, but not limited to, with respect to the transactions contemplated hereby).

8.05. Insurance Matters. Between the date hereof and the Closing Buyer and Seller shall coordinate with their respective insurance broker, Willis Corroon Company of Seattle, to ensure that all necessary endorsements and subrogations to the existing policies of insurance of Seller and the new policies of insurance of General are obtained such that (i) any insurance held by Seller covering any liability assumed by General (that is not otherwise covered by General's insurance) will be available to General and Buyer (provided that General and Buyer will be responsible for the payment of any applicable deductible with respect to any claim concerning any such assumed liability), and (ii) any insurance held by Buyer or General covering any liability retained by Seller (that is not otherwise covered by Seller's insurance) will be available to Seller (provided that Seller will be responsible for the payment of any applicable deductible with respect to any claim concerning any such retained liability).

8.06. Seller's 401(K) Plan. Seller has maintained the Fletcher Construction and Affiliates 401(k) Plan ("Old Plan") for its employees, certain employees of Affiliates of Seller and their respective beneficiaries. Seller's management recently caused Seller to amend the Old Plan (the Old Plan, as so amended, being the "Amended Plan"), and either Affiliates of Seller or entities that have acquired a portion of the businesses of Affiliates of Seller have established one or more new plans. Seller and General will cooperate with the trustee of the Old Plan to transfer the account balances for certain Old Plan participants who will not become employees of General, from the Old Plan to other plans in accordance with the direction of Seller. As soon as practicable after the Closing Date, Seller will transfer the Amended Plan, with account balances through the Closing Date (and earnings thereon through the date of transfer), to General. The transfer will be effected in accordance with applicable law. Seller will indemnify and hold General harmless from and against any liability General may incur with respect to the Amended Plan in regard to events occurring on or before the date of transfer.

8.07. Notices of Certain Events. Seller and Buyer shall promptly notify one another of:

(i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(ii) any notice or other communication from any governmental or regulatory agency or authority in connection with the transactions contemplated by this Agreement; and

(iii) any actions, suits, claims, investigations or proceedings commenced or, to its Knowledge threatened against, relating to or involving or otherwise affecting Seller, General or Buyer that relate to the consummation of the transactions contemplated by this Agreement.

8.08 Books and Records of Seller. Buyer and Seller agree that following the Closing General shall hold free of charge to Seller all books, records, files and papers ("Seller's Books and Records") of Seller and its subsidiaries related to the Business that were not included as part of the Included Assets, whether in hard copy or computer format, including, without limitation, all bid records, cost reports, engineering information, equipment records, maintenance histories, project reports, job completion reports, related manuals and catalogs, lists of present and former suppliers, lists of present and former customers, personnel and employment records, and any information relating to an taxes that is presently in the control and possession of Seller. Notwithstanding the foregoing, General shall not be required to hold or maintain any of Seller's Books and Records that relate to matters more than ten (10) years old at any time, provided, that Buyer shall give Seller thirty (30) days advance written notice generally describing any materials that it intends to dispose of, and Seller shall be entitled to collect any such materials prior to expiration of such thirty (30) day period. Furthermore, Seller shall be entitled to review any of Seller's Books and Records at any time during normal business hours, and Seller shall be entitled to demand that Buyer and General make available any of Seller's Books and Records for collection by Seller, provided that Buyer and General shall have a reasonable time to make copies of any of Seller's Books and Records that Seller desires to collect from General. Buyer and General shall take all reasonable actions to maintain the confidentiality of all of Seller's Books and Records in General's possession.

8.09 Certain Equipment Expense. Seller agrees that it shall be responsible for the expenses with respect to certain equipment maintenance and repair items identified on Schedule 8.09 attached hereto. Except for expenses identified on Schedule 8.09, Seller shall have no further responsibility for any equipment maintenance or repair expenses incurred after July 1,



1996 (except for any such expenses that constitute job costs for any Pre 7/23 Bonded Jobs in accordance with Seller's present job accounting practices), and Buyer and General shall accept Seller's assets on the basis provided in Section 5.06 above.

8.10. Short-Term Subordinated Note. In order to cover the short-term working capital requirements of Buyer and General during the period immediately following the Closing while General performs its obligations with respect to the management of the completion of the Pre 7/23 Bonded Jobs and the Post 7/23 Bonded Jobs, Seller will advance to Buyer and General \$1,750,000.00 at Closing. Buyer and General shall repay this advance to Seller pursuant to the terms of the Short-Term Subordinated Note.

## ARTICLE IX

### CONDITIONS TO CLOSING

9.01. Conditions to the Obligations of Each Party. The obligations of Buyer and Seller to consummate the Closing are subject to the satisfaction of the following conditions:

(a) Any applicable waiting period under the HSR Act relating to the transactions contemplated hereby shall have expired or been terminated.

(b) No provision of any applicable law or regulation and no judgment, injunction, order or decree shall prohibit the consummation of the Closing.

(c) All actions by or in respect of or filings with any governmental body, agency, official or authority required to pre-qualify General to bid on any public jobs for which bids are anticipated to be made within four weeks after the Closing shall have been obtained and made, and General shall have obtained all licenses and permits required for it to operate the Business and complete the Unbonded Jobs, the Post 7/23 Bonded Jobs and perform its obligations under the Management Agreement.

9.02. Conditions to Obligation of Buyer. The obligation of Buyer to consummate the Closing is subject to the satisfaction of the following further conditions:

(a)(i) Seller and Pacific shall have performed in all material respects all of its obligations hereunder required to be performed by it on or prior to the Closing Date, (ii) the representations and warranties of Seller contained in this Agreement and in any certificate or other writing delivered by Seller pursuant hereto, shall be true at and as of the Closing Date, as if made at and as of such date with only such exceptions as would not in the aggregate reasonably be expected to have a

Material Adverse Effect and (iii) Buyer shall have received a certificate signed by an authorized representative of Seller to the foregoing effect.

(b) No court, arbitrator or governmental body, agency or official shall have issued any order, and there shall not be any statute, rule or regulation, restraining the effective operation by Buyer or General of the Business after the Closing Date, and no proceeding challenging this Agreement or the transactions contemplated hereby or seeking to prohibit, alter, prevent or materially delay the Closing shall have been instituted by any Person before any court, arbitrator or governmental body, agency or official and be pending.

(c) Buyer shall have received all of the documents and instruments to be delivered by Seller pursuant to Section 3.02(b) above.

(d) Seller shall have paid all Washington and California state and local sales and/or use tax on the assets listed on Schedule 1.01(A)(iv) required in connection with putting such equipment into use.

(e) Buyer shall have received (or shall receive simultaneous with the Closing) the proceeds of the loan(s) that Buyer will use to make the Closing Cash Payment to Seller and to provide working capital for General.

9.03. Conditions to Obligation of Seller. The obligation of Seller to consummate the Closing is subject to the satisfaction of the following further conditions:

(a)(i) Buyer shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Closing Date, (ii) the representations and warranties of Buyer contained in this Agreement and in any certificate or other writing delivered by Buyer pursuant hereto shall be true in all material respects at and as of the Closing Date, as if made at and as of such date and (iii) Seller shall have received a certificate signed by the President of Buyer to the foregoing effect.

(b) No proceeding challenging this Agreement or the transactions contemplated hereby or seeking to prohibit, alter, prevent or materially delay the Closing shall have been instituted by any Person before any court, arbitrator or governmental body, agency or official and be pending.

(c) Seller shall have received all of the documents and instruments to be delivered by Buyer pursuant to Section 3.02(a) above.

## ARTICLE X

### SURVIVAL; INDEMNIFICATION

10.01. Survival. The covenants, agreements, representations and warranties of the parties hereto contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith shall survive the Closing.

10.02. Indemnification. (a) Seller and Pacific jointly and severally hereby indemnify Buyer and, effective at the Closing, without duplication, General against and agree to hold them harmless and defend them from any and all damage, loss, liability and expense (including without limitation reasonable expenses of investigation and reasonable attorneys, fees and expenses in connection with any action, suit or proceeding) ("Damages") incurred or suffered by Buyer, General or any of their Affiliates:

- (i) arising out of any misrepresentation or breach of warranty, covenant or agreement made or to be performed by Seller or Pacific pursuant to this Agreement;
- (ii) with respect to any of the Excluded Liabilities;
- (iii) any failure of Seller to perform its obligations under Section 8.02 of the Management Agreement;  
or
- (iv) any failure of Seller to pay or perform its obligations under Section 8.03(b) of the Lease.

(b) Buyer hereby indemnifies Seller and Pacific against and agrees to hold them harmless and defend them from any and all Damages incurred or suffered by Seller, Pacific or any of their Affiliates:

- (i) arising out of any misrepresentation or breach of warranty, covenant or agreement made or to be performed by Buyer pursuant to this Agreement;
- (ii) with respect to any of the Assumed Liabilities;
- (iii) arising by virtue of the transaction structure reflected in Section 2.01 above (the organization and capitalization of General prior to the Closing) that would not have been incurred by Seller had Seller simply assigned

the Included Assets to Buyer, and Buyer assumed the Assumed Liabilities from Seller, at the Closing;

- (iv) any failure of General to perform its obligations under Section 8.01 of the Management Agreement; or
- (v) any failure of General to pay or perform its obligations under Section 8.03(a) of the Lease.

10.03. Procedures; Exclusivity. (a) The party seeking indemnification under Section 10.02 (the "Indemnified Party") agrees to give prompt notice to the party against whom indemnity is sought (the "Indemnifying Party") of the assertion of any claim, or the commencement of any suit, action or proceeding by any third party in respect of which indemnity may be sought under such Section. The Indemnifying Party may at the request of the Indemnified Party participate in and control the defense of any such suit, action or proceeding at its own expense. The Indemnifying Party shall not be liable under Section 10.02 for any settlement effected without its consent of any claim, litigation or proceeding in respect of which indemnity may be sought hereunder.

(b) After the Closing, except for the right to seek injunctive relief provided in Section 6.04(b) and Section 7.05(b), Section 10.02 will provide the exclusive remedy for any misrepresentation, breach of warranty, covenant or other agreement or claim arising out of this Agreement or the transactions contemplated hereby.

10.04. Payment of Note Balloon into Escrow. If Buyer and/or General has asserted a claim for indemnification under Section 10.02(a) that has not been paid or that has not been resolved as of the maturity date of the Note, Buyer and Seller acting in good faith shall establish an escrow on reasonable and customary commercial terms with a mutually acceptable escrow agent and Buyer shall deposit with the escrow agent an amount equal to the Buyer's reasonable estimate of the amount of the Damages related to the claim (up to the outstanding balance due under the Note). The making of the deposit shall constitute a payment under the Note. Buyer shall pay to Seller the balance, if any, outstanding on the Note after making the deposit to cover the alleged Damages into escrow. The escrowed funds shall be invested in an interest bearing account. Upon resolution of the claim Buyer or General shall be entitled to a distribution from the escrowed funds in the amount of the Damages as agreed between the parties or as resolved pursuant to Section 12.06 below (any interest that has accrued on the escrowed funds shall be available for distribution to the extent of the agreed or

determined Damages payable to Buyer or General), and Seller shall be entitled to a distribution of the balance of the escrow funds (including accrued interest), if any. Any party receiving all or any portion of the interest that has accrued on the escrowed funds shall be liable for the taxes related to the interest distributed to such party. To the extent any escrowed funds are insufficient to compensate Buyer or General for any Damages, Seller and Pacific shall remain liable for the balance. If Buyer, General and Seller are unable to agree on an acceptable escrow or the terms of an escrow agreement, the determination of the escrow agent and the terms of the escrow agreement shall be made by an arbitrator selected pursuant to Section 12.06 below. Seller agrees that without Buyer's consent it shall not offset any obligation it may owe Buyer against Buyer and Buyer's Shareholders' obligations under the Note.

## ARTICLE XI

### TERMINATION

11.01. Grounds for Termination. This Agreement may be terminated at any time prior to the Closing:

- (i) by mutual written agreement of Seller and Buyer;
- (ii) by either Seller or Buyer if the Closing shall not have been consummated on or before November 1, 1996; or
- (iii) by either Seller or Buyer if there shall be any law or regulation that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or if consummation of the transactions contemplated hereby would violate any nonappealable final order, decree or judgment of any court or governmental body having competent jurisdiction.

The party desiring to terminate this Agreement pursuant to clauses (ii) or (iii) shall give notice of such termination to the other party.

11.02. Effect of Termination. If this Agreement is terminated as permitted by Section 11.01, such termination shall be without liability of either party (or any shareholder, director, officer, employee, agent, consultant or representative of such party) to the other party to this Agreement; provided that if such termination shall result from the willful failure of either party to fulfill a condition to the performance of the obligations of the other party or to perform a covenant of this Agreement or from a willful breach by either party to this Agreement, such party shall be fully liable for any and all Damages incurred or suffered by the other party as a result of such failure or breach. The provisions of Section 8.01 shall survive any termination hereof pursuant to Section 11.01.

MISCELLANEOUS

TO SELLER                      c/o The Fletcher Construction  
                                    Company Limited  
                                    585 Great South Road, Penrose  
                                    Private Bag 92114  
                                    Auckland, New Zealand  
                                    Facsimile: 649-525-9205  
                                    Attn: Mr. Malcolm Hope

TO PACIFIC Fletcher Pacific Construction Co.  
Ltd.  
707 Richards Street  
Suite 400  
Ocean View Center  
Honolulu, Hawaii 96813  
Facsimile: 808-533-5320  
Attn: Chief Financial Officer

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TO BUYER:

GC Investment Co.  
2111 N. Northgate Way  
Suite 305  
Seattle, Washington 98133  
Facsimile: (206) 368-9850  
Attn: Mr. William Urban

With a copy to:

Bruce A. King  
Bogle & Gates P.L.L.C.  
4700 Two Union Square  
Seattle, Washington 98101  
Facsimile: (206) 621-2660

All such notices, approvals, consents and other communications shall be deemed given (i) when given and receipted for (or upon the date of attempted delivery when delivery is refused), if sent via personal delivery or via express courier or delivery service or (ii) when received, if sent via telephone facsimile (confirmation of such receipt via confirmed telephone facsimile being deemed receipt).

12.02. Amendments; No Waivers. (a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by Buyer, Seller and Parent, or in the case of a waiver, by the party against whom the waiver is to be effective.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

12.03. Expenses. Whether or not the transactions contemplated by this Agreement are consummated, Seller, Parent and Buyer shall each pay their own fees and expenses incident to the negotiation, preparation and execution of this Agreement, including fees and expenses of counsel, accounts, financial advisers and other experts.

12.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto.

12.05. Governing Law. The validity, construction, interpretation and enforceability of this Agreement shall be governed by the laws of the State of Washington and the federal

law as applied within the State of Washington as such law applies to the making, executing and performing of contracts solely within the State of Washington without reference to Washington's choice of law doctrine.

12.06. Dispute Resolution. Any controversy, claim or dispute of whatever nature arising out of or relating to this Agreement or the validity, enforceability, breach or termination of this Agreement, whether such controversy, claim or dispute is based upon statute, contract, tort, common law or otherwise, and whether such controversy, claim or dispute existed prior to or arises after the date of this Agreement (any such controversy, claim or dispute being a "Dispute"), shall be resolved in confidential proceedings and in accordance with the procedures set forth in this Section, which procedures shall be the sole and exclusive procedures for the resolution of any Disputes.

(a) Negotiations. Buyer and Seller, promptly and in good faith, shall attempt to resolve any Dispute by negotiation between the CEO of the Fletcher Challenge Construction sector, or his designee, on behalf of Seller and/or Pacific, and William Urban on behalf of Buyer. Any party to this Agreement may give to the other party to this Agreement written notice of any Dispute and, within seven (7) days after the giving of such notice, the recipient of such notice shall give a written response to the other party to this Agreement. Each notice of a Dispute and each response to any such notice shall include a statement of the position of the party giving such notice or response in respect of such Dispute and a summary of arguments supporting such position. Within fourteen (14) days after the giving of a notice of a Dispute under this subsection, the representatives of Seller (and Pacific) and Buyer shall meet at a mutually acceptable time and place, and thereafter as often as such persons reasonably deem necessary, to attempt to resolve such Dispute. All reasonable requests for information made by any party to this Agreement to any other party to this Agreement shall be honored. If any Dispute has not been resolved by negotiation pursuant to this subsection within twenty-eight (28) days after the giving of the notice of such Dispute, then any party to this Agreement may initiate arbitration of such Dispute pursuant to Section 12.06(b). All negotiations and arbitrations pursuant to this subsection shall be confidential and such negotiations shall be treated as compromise and settlement negotiations. Nothing said or disclosed, and no document produced, in the course of such negotiations which is not independently discoverable shall be offered or received as evidence or used for



impeachment or for any other purpose in any arbitration or litigation.

(b) Arbitration. If any Dispute has not been resolved by negotiation pursuant to Section 12.06(a), then such Dispute shall be determined by arbitration in San Francisco, California, in accordance with the Construction Industry Rules of the AAA then in effect if the Dispute relates primarily to one or more construction projects or the Commercial Arbitration Rules of the AAA then in effect if the Dispute relates primarily to other issues, in either case by a sole arbitrator who shall be neutral and impartial and who has had both training and experience as an arbitrator of general corporate and commercial matters between business entities of a net worth of \$20 million or more. If the parties to this Agreement cannot agree on an arbitrator, then the arbitrator shall be selected by AAA in accordance with the criteria set forth in the preceding sentence. The AAA shall look to the best person for the job and not restrict itself to selecting only from its regional panel as this is an international matter. The arbitrator shall decide any issue as to whether, or as to the extent to which, any Dispute is subject to the arbitration and other dispute resolution provisions in this Agreement. The arbitrator shall base his or her award on the provisions of this Agreement and shall render his or her award in a writing which shall include an explanation of the reasons for such award. Any arbitration pursuant to this subsection shall be governed by the substantive laws of the State of Washington applicable to contracts made and to be performed in that state, and by the federal Arbitration Act, Title 9 of the United States Code, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. In the case of any Dispute based upon a statute, the arbitrator in any arbitration pursuant to this subsection shall be empowered to award any remedy authorized by such statute. The arbitrator in any arbitration shall provide in the arbitration award for the fees, costs and expenses of the counsel and witnesses of the prevailing party incurred in connection with any arbitration pursuant to this subsection to be by the other party. The statute of limitations of the State of Washington applicable to the commencement of a lawsuit shall apply to the commencement of an arbitration under this subsection, except that no defenses shall be available based upon the passage of time during any negotiation required pursuant to Section 12.06(a). Except as otherwise

provided below, all fees, costs and expenses of the arbitrator, and all other costs and expenses of the arbitration, shall be shared equally by the parties to this Agreement unless such parties agree otherwise or unless the arbitrator in the award assesses such costs and expenses against one of such parties or allocates such costs and expenses other than equally among such parties. Notwithstanding anything to the contrary herein, the parties agree that the remedy of punitive or exemplary damages is hereby explicitly waived by each of them.

(c) Certain Remedies. No provision of, and no exercise of any rights under, this Section 12.06 shall limit the right of Buyer pursuant to Section 6.04 above (the "Seller Non-competition Covenant") to commence any judicial action or proceeding to obtain injunctive relief or specific performance. The exercise of a remedy by Buyer pursuant to the Seller Noncompetition Covenant or otherwise shall not constitute a waiver of the right of Buyer to resort to arbitration in accordance with this Section 12.06. Furthermore, no provision of, and no exercise of any rights under, this Section 12.06 shall limit the right of Seller pursuant to Section 7.05 above (the "Buyer Non-competition Covenant") to commence any judicial action or proceeding to obtain injunctive relief or specific performance. The exercise of a remedy by Seller pursuant to the Buyer Noncompetition Covenant or otherwise shall not constitute a waiver of the right of Seller to resort to arbitration in accordance with this Section 12.06.

12.07. Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto.

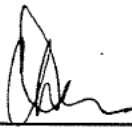
12.08. Entire Agreement. This Agreement and the Management Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings and negotiations, both written and oral, between the parties with respect to the subject matter of this Agreement. No representation, inducement, promise, understanding, condition or warranty not set forth herein has been made or relied upon by either party hereto. Neither this Agreement nor any provision hereof is intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

12.09. Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

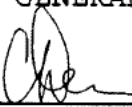
12.10. No Third Party Beneficiary. The parties do not intend the benefits of this Agreement to inure to any third party, including, without limitation, any employee of Seller, Buyer or General.

IN WITNESS WHEREOF, the parties hereto here caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

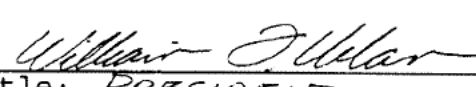
FLETCHER PACIFIC CONSTRUCTION CO.  
LTD.

By   
Title: authorized representative

FLETCHER GENERAL, INC.

By   
Title: authorized representative

GC INVESTMENT CO.

By   
Title: PRESIDENT



## Business Registry Business Name Search

[New Search](#)

## Business Entity Data

06-06-2008

14:16

Registry Nbr	<a href="#">Entity Type</a>	<a href="#">Entity Status</a>	<a href="#">Jurisdiction</a>	Registry Date	Duration Date	Renewal Date
534067-82	FBC	INA	WASHINGTON	09-03-1996		09-03-1998
<b>Entity Name</b> GENERAL CONSTRUCTION COMPANY						
<b>Foreign Name</b>						

[New Search](#)

## Associated Names

Type	PPB	PRINCIPAL PLACE OF BUSINESS				
Addr 1	2111 N NORTHGATE WAY #305					
Addr 2						
CSZ	SEATTLE	WA	98124	0506	Country	UNITED STATES OF AMERICA

Please click [here](#) for general information about registered agents and service of process.

Type	AGTREGISTERED AGENT				Start Date	09-03-1996	Resign Date	
Of Record	<a href="#">003292-27</a> C T CORPORATION SYSTEM							
Addr 1	388 STATE ST STE 420							
Addr 2								
CSZ	SALEM	OR	97301	3581	Country	UNITED STATES OF AMERICA		

<b>Type</b>	MAL MAILING ADDRESS				
<b>Addr 1</b>	2111 N NORTHGATE WAY 3RD FLOOR				
<b>Addr 2</b>					
<b>CSZ</b>	SEATTLE	WA	98133	<b>Country</b>	UNITED STATES OF AMERICA

Type	PRE PRESIDENT					Resign Date	
Name	WILLIAM		URBAN				
Addr 1	2111 N NORTHGATE WAY #305						
Addr 2							
CSZ	SEATTLE	WA	98133	Country	UNITED STATES OF AMERICA		

Type	SEC SECRETARY				Resign Date	
Name	LARRY		WORTH			
Addr 1	2111 N NORTHGATE WAY #305					
Addr 2						
CSZ	SEATTLE	WA	98133	Country	UNITED STATES OF AMERICA	

[New Search](#)

## Name History

Business Entity Name	<a href="#">Name Type</a>	<a href="#">Name Status</a>	Start Date	End Date
GENERAL CONSTRUCTION COMPANY	EN	CUR	09-03-1996	

Please [read](#) before ordering [Copies](#).

[New Search](#)

## Summary History

Image Date	Action	Transaction Date	Effective Date	<a href="#">Status</a>	Name/Agent Change	Dissolved By
06-08-2001	CHANGE OF REGISTERED AGENT/ADDRESS	06-08-2001		FI		
07-16-1998	VOLUNTARY WITHDRAWAL	07-16-1998		FI		
09-04-1997	STRAIGHT RENEWAL	08-18-1997		FI		
09-05-1997	CHANGED RENEWAL	08-18-1997		FI		
09-03-1996	NEW FILING	09-03-1996		FI		

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## Business Registry Business Name Search

[New Search](#)

## Business Entity Data

06-06-2008

14:16

Registry Nbr	<a href="#">Entity Type</a>	<a href="#">Entity Status</a>	<a href="#">Jurisdiction</a>	Registry Date	Duration Date	Renewal Date
643752-81	FBC	INA	WASHINGTON	07-16-1998		
<b>Entity Name</b>	GENERAL CONSTRUCTION COMPANY					
<b>Foreign Name</b>						

[New Search](#)

## Associated Names

Type	PPB	PRINCIPAL PLACE OF BUSINESS				
Addr 1	19472 POWDER HILL PL					
Addr 2						
CSZ	POULSBO	WA	98370	Country	UNITED STATES OF AMERICA	

Please click [here](#) for general information about registered agents and service of process.

<b>Type</b>	AGT REGISTERED AGENT		<b>Start Date</b>	07-16-1998	<b>Resign Date</b>	
<b>Of Record</b>	<a href="#">003292-27</a> C T CORPORATION SYSTEM					
<b>Addr 1</b>	388 STATE ST STE 420					
<b>Addr 2</b>						
<b>CSZ</b>	SALEM	OR	97301	3581	<b>Country</b>	UNITED STATES OF AMERICA

Type	MAL MAILING ADDRESS					
Addr 1	PO BOX 34960					
Addr 2						
CSZ	SEATTLE	WA	98124	1960	Country	UNITED STATES OF AMERICA

<b>Type</b>	PRE PRESIDENT				<b>Resign Date</b>	
<b>Name</b>	WILLIAM F URGAN					
<b>Addr 1</b>	19472 POWDER HILL PL					
<b>Addr 2</b>						
<b>CSZ</b>	POULSBO	WA	98370	<b>Country</b>	UNITED STATES OF AMERICA	

<b>Type</b>	SEC SECRETARY				<b>Resign Date</b>	
<b>Name</b>	GREGORY D BROKKE					
<b>Addr 1</b>	KIEWIT PLAZA					
<b>Addr 2</b>						
<b>CSZ</b>	OMAHA	NE	68131	3374	<b>Country</b>	UNITED STATES OF AMERICA

[New Search](#)

## Name History

Business Entity Name	<a href="#">Name Type</a>	<a href="#">Name Status</a>	Start Date	End Date
GENERAL CONSTRUCTION COMPANY	EN	CUR	07-16-1998	

Please [read](#) before ordering [Copies](#).[New Search](#)

## Summary History

Image Date	Action	Transaction Date	Effective Date	<a href="#">Status</a>	Name/Agent Change	Dissolved By
08-02-2002	<a href="#">ARTICLES OF MERGER</a>	08-02-2002		FI		
07-23-2002	AMENDMENT TO ANNUAL REPORT	07-23-2002		FI		
07-19-2002	ANNUAL REPORT PAYMENT	07-19-2002		SYS		
06-13-2001	AMENDMENT TO ANNUAL REPORT	06-13-2001		FI		
06-12-2001	ANNUAL REPORT PAYMENT	06-12-2001		SYS		
06-08-2001	CHANGE OF REGISTERED AGENT/ADDRESS	06-08-2001		FI		
07-25-2000	STRAIGHT RENEWAL	07-25-2000		FI		
07-21-2000	NOTICE	07-24-2000		SYS		
08-17-1999	AMENDED RENEWAL	08-17-1999		FI		
07-16-1998	NEW FILING	07-16-1998		FI		

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## Business Registry Business Name Search

[New Search](#)

## Merger Transaction Data

Image Date	Action	Transaction Date	Effective Date	<a href="#">Status</a>	
08-02-2002	ARTICLES OF MERGER	08-02-2002		FI	

[New Search](#)

## Merger Survivor

Registry Number	<a href="#">Name</a> <a href="#">Status</a>	Name	<a href="#">Entity Type</a>	Jurisdiction
		GENERAL CONSTRUCTION COMPANY		DELAWARE

[New Search](#)

## Merger Non Survivor

Registry Number	<a href="#">Name</a> <a href="#">Status</a>	Name	<a href="#">Entity Type</a>	Jurisdiction
<a href="#">643752-81</a>	CUR	GENERAL CONSTRUCTION COMPANY	FBC	WASHINGTON

[New Search](#)

## Merger Correspondent

No Correspondent found.				
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## Business Registry Business Name Search

[New Search](#)

## Business Entity Data

06-06-2008

14:16

Registry Nbr	<a href="#">Entity Type</a>	<a href="#">Entity Status</a>	<a href="#">Jurisdiction</a>	Registry Date	Duration Date	Renewal Date
096208-99	FBC	ACT	DELAWARE	08-02-2002		
<b>Entity Name</b>	GENERAL CONSTRUCTION COMPANY					
<b>Foreign Name</b>						

[New Search](#)

## Associated Names

<b>Type</b>	PPB	PRINCIPAL PLACE OF BUSINESS		
<b>Addr 1</b>	19472 POWDER HILL PL			
<b>Addr 2</b>				
<b>CSZ</b>	POULSBO	WA	98370	<b>Country</b> UNITED STATES OF AMERICA

Please click [here](#) for general information about registered agents and service of process.

<b>Type</b>	AGT REGISTERED AGENT	<b>Start Date</b>	08-02-2002	<b>Resign Date</b>	
<b>Of Record</b>	<a href="#">003292-27</a> C T CORPORATION SYSTEM				
<b>Addr 1</b>	388 STATE ST STE 420				
<b>Addr 2</b>					
<b>CSZ</b>	SALEM	OR	97301	<b>Country</b>	UNITED STATES OF AMERICA

<b>Type</b>	MAL MAILING ADDRESS				
<b>Addr 1</b>	PO BOX 34960				
<b>Addr 2</b>					
<b>CSZ</b>	SEATTLE	WA	98124	1960	<b>Country</b> UNITED STATES OF AMERICA

<b>Type</b>	PRE PRESIDENT			<b>Resign Date</b>	
<b>Name</b>	RONALD	H	MORFORD		
<b>Addr 1</b>	19472 POWDER HILL PL				
<b>Addr 2</b>					
<b>CSZ</b>	POULSBO	WA	98370	<b>Country</b>	UNITED STATES OF AMERICA

<b>Type</b>	SEC SECRETARY			<b>Resign Date</b>	
<b>Name</b>	MICHAEL	F	NORTON		
<b>Addr 1</b>	KIEWIT PLAZA				
<b>Addr 2</b>					
<b>CSZ</b>	OMAHA	NE	68131	<b>Country</b>	UNITED STATES OF AMERICA

[New Search](#)

## Name History

Business Entity Name	<a href="#">Name Type</a>	<a href="#">Name Status</a>	Start Date	End Date
GENERAL CONSTRUCTION COMPANY	EN	CUR	08-02-2002	

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## Summary History

Image Date	Action	Transaction Date	Effective Date	<a href="#">Status</a>	Name/Agent Change	Dissolved By
07-20-2007	ANNUAL REPORT PAYMENT	07-20-2007	07-19-2007	SYS		
07-17-2006	ANNUAL REPORT PAYMENT	07-17-2006	07-15-2006	SYS		
07-21-2005	ANNUAL REPORT PAYMENT	07-21-2005	07-20-2005	SYS		
08-04-2004	AMENDMENT TO ANNUAL REPORT	08-04-2004		FI		
08-03-2004	ANNUAL REPORT PAYMENT	08-03-2004		SYS		
09-17-2003	AMENDED ANNUAL REPORT	09-17-2003		FI		
08-08-2003	NOTICE LATE ANNUAL	08-08-2003		SYS		
08-02-2002	APPLICATION FOR AUTHORITY	08-02-2002		FI	Agent	

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**CCB LICENSE SUMMARY FOR:  
GENERAL CONSTRUCTION COMPANY  
License Number: 156299**

**GENERAL INFORMATION**

<a href="#">License Number:</a>	156299	Click <a href="#">HERE</a> for a list of associated records.
<b>License Status:</b>	<a href="#">Active</a>	
<b>Date First Licensed:</b>	11/6/2003	
<b>Name:</b>	GENERAL CONSTRUCTION COMPANY	
<b>Final Orders Discharged in Bankruptcy:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid DRS Final Orders:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid Disciplinary Final Orders:</b>	\$0.00	<input type="button" value="Go"/>

**Click the following summaries:**

<b>CCB Business Detail Record:</b>	<input type="button" value="Go"/>
<b>CCB Administrative License Actions :</b>	<input type="button" value="Go"/>
<b>CCB Disciplinary Actions:</b>	<input type="button" value="Go"/>
<b>CCB Dispute Resolution Services (DRS) Summary:</b>	<input type="button" value="Go"/>
<b>Summary of Unpaid CCB Orders:</b>	<input type="button" value="Go"/>

**For additional license information:**

[Associated licenses for plumbing and electrical- Building Codes Division](#)  
[Search licenses for landscape businesses- Landscape Contractor Board](#)  
[Search Workers Compensation Insurance Data \(DCBS Web Site\)](#)

[CLOSE WINDOW](#)

```
=4){x='x';s=screen; c+=s.width+x+s.height+x+s.pixelDepth+x+s.colorDepth;} d.writeln(c+'$'+d.referrer+'>'); // -->
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**CCB LICENSE SUMMARY FOR:  
GENERAL CONSTRUCTION CO  
License Number: 130877**

**GENERAL INFORMATION**

<u>License Number:</u>	130877	Click <a href="#">HERE</a> for a list of associated records.
<b>License Status:</b>	<a href="#">Not Active - Cross Reference</a>	
<b>Date First Licensed:</b>	7/20/1998	
<b>Name:</b>	GENERAL CONSTRUCTION CO	
<b>Final Orders Discharged in Bankruptcy:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid DRS Final Orders:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid Disciplinary Final Orders:</b>	\$0.00	<input type="button" value="Go"/>

**Click the following summaries:**

<b>CCB Business Detail Record:</b>	<input type="button" value="Go"/>
<b>CCB Administrative License Actions :</b>	<input type="button" value="Go"/>
<b>CCB Disciplinary Actions:</b>	<input type="button" value="Go"/>
<b>CCB Dispute Resolution Services (DRS) Summary:</b>	<input type="button" value="Go"/>
<b>Summary of Unpaid CCB Orders:</b>	<input type="button" value="Go"/>

**For additional license information:**

[Associated licenses for plumbing and electrical- Building Codes Division](#)  
[Search licenses for landscape businesses- Landscape Contractor Board](#)  
[Search Workers Compensation Insurance Data \(DCBS Web Site\)](#)

[CLOSE WINDOW](#)

=4){x='x';s=screen; c+=s.width+x+s.height+x+s.pixelDepth+x+s.colorDepth;} d.writeln(c+'\$'+d.referrer+'>'); // -->

**CCB LICENSE SUMMARY FOR:  
GENERAL CONSTRUCTION CO  
License Number: 117292**

**GENERAL INFORMATION**

<u>License Number:</u>	117292	Click <a href="#">HERE</a> for a list of associated records.
<b>License Status:</b>	<a href="#">Suspended - Not Active</a>	
<b>Date First Licensed:</b>	9/12/1996	
<b>Name:</b>	GENERAL CONSTRUCTION CO	
<b>Final Orders Discharged in Bankruptcy:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid DRS Final Orders:</b>	\$0.00	<input type="button" value="Go"/>
<b>Unpaid Disciplinary Final Orders:</b>	\$0.00	<input type="button" value="Go"/>

**Click the following summaries:**

<b>CCB Business Detail Record:</b>	<input type="button" value="Go"/>
<b>CCB Administrative License Actions :</b>	<input type="button" value="Go"/>
<b>CCB Disciplinary Actions:</b>	<input type="button" value="Go"/>
<b>CCB Dispute Resolution Services (DRS) Summary:</b>	<input type="button" value="Go"/>
<b>Summary of Unpaid CCB Orders:</b>	<input type="button" value="Go"/>

**For additional license information:**

[Associated licenses for plumbing and electrical- Building Codes Division](#)  
[Search licenses for landscape businesses- Landscape Contractor Board](#)  
[Search Workers Compensation Insurance Data \(DCBS Web Site\)](#)

[CLOSE WINDOW](#)

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=4){x='x';s=screen; c+=s.width+x+s.height+x+s.pixelDepth+x+s.colorDepth;} d.writeln(c+'$'+d.referrer+'>'); // -->
```





## PROPRIETARY AND COMPANY CONFIDENTIAL INFORMATION

The following document is submitted to the EPA subject to the “CONFIDENTIAL” designation authorized in 40 CFR Part 2. The disclosure of the information contained in these financial statements could place General’s parent corporation, Kiewit Pacific Co., at a competitive disadvantage relative to other contracting companies. Kiewit Pacific Co. is not regulated by the FCC and as such, it is not required by state or local law to file this financial statement. Kiewit Pacific Co. keeps its financial information confidential, and does not submit that information to third parties without an agreement to preserve that confidentiality. Kiewit Pacific Co. intends to continue to preserve the confidentiality of this information.

The following Financial Statements are included only with the hard copy submitted to the EPA, and not with the simultaneously-produced electronic copy.

## PROPRIETARY AND COMPANY CONFIDENTIAL INFORMATION



601 735032

FILED  
STATE OF WASHINGTON

AUG 27 1996

RALPH MUNRO  
SECRETARY OF STATE

ARTICLES OF INCORPORATION  
OF  
GENERAL CONSTRUCTION COMPANY

ARTICLE I

Name

The name of the corporation (the "Corporation") is  
GENERAL CONSTRUCTION COMPANY.

ARTICLE II

Authorized Shares

The total authorized number of shares of the  
Corporation is One Thousand (1,000) shares of common stock.

ARTICLE III

Directors

The number of directors of the Corporation and the  
manner in which such directors are to be elected shall be as set  
forth in the bylaws. The names and addresses of the initial  
directors are:

<u>Name</u>	<u>Address</u>
William F. Urban	P.O. Box 24506 Seattle, Washington 98124
Thomas E. Sherman	P.O. Box 24506 Seattle, Washington 98124
Larry L. Worth	P.O. Box 24506 Seattle, Washington 98124
James T. Dick	P.O. Box 24506 Seattle, Washington 98124
Gregg F. Woodward	P.O. Box 24506 Seattle, Washington 98124

The terms of the initial directors shall expire at the  
first shareholders' meeting at which directors are elected.

GENERAL CONSTRUCTION COMPANY

OFFICERS

President	William F. Urban
Executive Vice President	Ronald H. Morford
Senior Vice President	Thomas E. Sherman
Senior Vice President	Gregg F. Woodward
Vice President and Assistant Secretary	Thomas R. Anderson
Vice President	Tobin A. Schropp
Treasurer	Anne E. Begley
Assistant Treasurer	Greg S. Casper
Secretary	Michael F. Norton
Assistant Secretary	William F. Urban III
Assistant Secretary	Gregory D. Brokke
Assistant Secretary	Lee E. Ellingson

DIRECTORS

Kenneth E. Stinson  
Allan K. Kirkwood

A Washington Corporation  
Organized August 27, 1996

Effective July 31, 2001

# GENERAL CONSTRUCTION COMPANY

## OFFICERS

President	William F. Urban
Executive Vice President	Ronald H. Morford
Senior Vice President	Thomas E. Sherman
Senior Vice President	Gregg F. Woodward
Vice President and Assistant Secretary	Thomas R. Anderson
Vice President	Tobin A. Schropp
Treasurer	Anne E. Begley
Assistant Treasurer	Greg S. Casper
Secretary	Michael F. Norton
Assistant Secretary	William F. Urban III
Assistant Secretary	Gregory D. Brokke
Assistant Secretary	Lee E. Ellingson

## DIRECTORS

Kenneth E. Stinson  
Allan K. Kirkwood

A Washington Corporation  
Organized August 27, 1996

Effective July 31, 2001

\*GENERAL CONSTRUCTION COMPANY

OFFICERS

President	William F. Urban
Executive Vice President	Ronald H. Morford
Senior Vice President	Thomas E. Sherman
Senior Vice President	Gregg F. Woodward
Vice President and Assistant Secretary	Thomas R. Anderson
Vice President	Tobin A. Schropp
Treasurer	Anne E. Begley
Assistant Treasurer	Greg S. Casper
Secretary	Gregory D. Brokke
Assistant Secretary	Michael F. Norton
Assistant Secretary	Lee E. Ellingson

DIRECTORS

Kenneth E. Stinson  
Allan K. Kirkwood

A Delaware Corporation  
Organized June 26, 2002

\*Converted from a Washington Corporation on July 31, 2002

GENERAL CONSTRUCTION COMPANY

OFFICERS

President	Ronald H. Morford
Senior Vice President	Thomas E. Sherman
Senior Vice President	Gregg F. Woodward
Vice President and Assistant Secretary	Thomas R. Anderson
Vice President	Tobin A. Schropp
Vice President	Michael J. Piechoski
Treasurer	Michael J. Whetstine
Assistant Treasurer	Carla A. Casper
Secretary	Michael F. Norton
Assistant Secretary	Greg S. Casper
Assistant Secretary	Lee E. Ellingson

DIRECTORS

Bruce E. Grewcock  
Allan K. Kirkwood

A Delaware Corporation  
Organized June 26, 2002

Converted from a Washington Corporation on July 31, 2002

GENERAL CONSTRUCTION COMPANY

OFFICERS

President	Ronald H. Morford
Senior Vice President	Gregg F. Woodward
Vice President	Thomas R. Anderson
Vice President	Michael J. Piechoski
Vice President	Tobin A. Schropp
Treasurer	Michael J. Whetstine
Assistant Treasurer	Loree C. Runyan-Pick
Secretary	Michael F. Norton
Assistant Secretary	Greg S. Casper
Assistant Secretary	Donald J. Fibich

DIRECTORS

Bruce E. Grewcock

A Delaware Corporation  
Organized June 26, 2002

Converted from a Washington Corporation, effective July 31, 2002.



## General Construction Company

### OFFICERS

President  
Senior Vice President  
Vice President  
Vice President  
Vice President  
Treasurer  
Assistant Treasurer  
Assistant Treasurer  
Secretary  
Assistant Secretary  
Assistant Secretary

Ronald H. Morford  
Gregg F. Woodward  
Thomas R. Anderson  
Michael J. Piechoski  
Tobin A. Schropp  
Michael J. Whetstine  
Loree C. Runyan-Pick  
Stephen S. Thomas  
Michael F. Norton  
Greg S. Casper  
Donald J. Fibich

### DIRECTORS

Bruce E. Grewcock

A Delaware Corporation  
Organized 6/26/2002

Converted from a Washington Corporation on 7/31/2002

## General Construction Company

### OFFICERS

President  
Senior Vice President  
Vice President  
Vice President  
Vice President  
Controller  
Assistant Controller  
Treasurer  
Secretary  
Assistant Secretary  
Assistant Secretary

Ronald H. Morford  
Gregg F. Woodward  
Thomas R. Anderson  
Michael J. Piechoski  
Tobin A. Schropp  
Michael J. Whetstone  
Timothy S. Riley  
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Ronald H. Morford  
Gregg F. Woodward  
Jeffrey C. Arviso  
Michael J. Piechoski  
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### DIRECTORS

R. Michael Phelps

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